

Study on the involvement of tourism companies into CSR actions

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Abstract: *Hotel companies currently adopt standards and codes of conduct that take into consideration both social and environmental results, and not only the financial ones, and which adhered to different eco certification and accreditation schemes due to the fact that the social responsibility plays an increasingly important role within their business. This paper presents a synthesis of a research carried out with the main purpose of determining the way in which four hotel units of Braşov got themselves involved so far into CSR actions, as well as the way they intend to act in this field in the future.*

Key-words: *hotel companies, tourism, strategies, CSR*

1. Introduction

The first definitions of the corporate social responsibility (CSR) have occurred since the 1950's in the United States of America (Carroll 1991, 39 – 48). They had in common components concerning the expectations of public and society in general. Starting with the 80's, CSR-related research activities switched their focus towards conceiving certain dimensions of CSR, and less towards new definitions. Geoffrey Heal defines CSR as it follows: "CSR involves taking measures to reduce outsourcing costs and reduce distributional conflicts". Kotler and Lee defined CSR as "commitment to improve community well-being through discretionary business practices and contributions of corporate resources" (Kotler, and Lee 2005, 3).

Basu and Palazzo (2008, 122-136) consider that CSR is "the process by which managers within an organization discuss relationships with stakeholders as well as their roles in relation to the common good".

McWilliams and Siegel (2006) define CSR as "actions that appear to further some social good, beyond the interests of the firm and that which is required by law". Examples of CSRs include support for local businesses and charity, development of recycling programs, and also promotion of the employment of certain minorities.

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We ask ourselves what kind of responsibilities and what issues should be treated by companies within the CSR actions, and also what expectations have consumers set? Some authors (Maignan, and Ferrell 2005, 956-977) consider that these questions may get an answer in two different ways: empirically, by performing certain investigations among the company managers, in order to determine the kind of problems they consider important, or through normative-based definitions of the CSR.

One of the CSR definitions, reaching the largest consensus in Europe, is available in the document published by the Commission of the European Community in July 2001, known as the "Green Paper" and is the following: "a concept whereby companies integrate social and environmental concerns in their business operations and in their interaction with their stakeholders on a voluntary basis".

The definition proposed in Carroll's model is normative and often used by the specialists in the field of management and marketing (Carroll 1991, 39-48). The CSR model proposed by Carroll and later on adopted by Loew, provide a multilevel perspective of the social responsibility (CSR). According to this model, in order to define the concept we need to consider the four levels of responsibility. Thus, the economic dimension implies for a company to be profitable, the legal dimension implies working within a legal framework, the ethical dimension refers to the ethical or moral standards and the philanthropic dimension is based on the voluntary actions the society benefits from (Evuleocha 2005, 328-340).

One of the sectors where measures taken in order to implement the concept of social responsibility seem to have a positive impact is the hotel industry (<http://www.actionamresponsabil.ro/cum-pot-aplica-hotelurile-conceptul-de-responsabilitate-sociala>).

World Tourism Organization identified 12 aims of sustainable tourism: economic viability; local prosperity; employment quality; social equity; visitor fulfilment; local control; community wellbeing; cultural richness; physical integrity; biological diversity; resource efficiency; environmental purity.

A World Bank report issued in 2005 provides a list of elements that should be considered by the players in tourism who want to act in compliance with the principles of sustainable development and social responsibility (CSR in the Tourism Industry). The list includes economical elements (general policies and planning, management systems, principles related to human resources, procedures related to the supply chain and trade), environmental elements (conservation of energy and water resources, limitation of residues and pollution, environmental management systems, environmental reporting), and also social elements (related to visitors and local community, involvement of local people, benefits for the local community and contributions to its development, health and safety, accessibility etc.).

International Tourism Partnership (available at <http://tourismpartnership.org/>) proposes a model to be followed by those hotels wanting to incorporate the sustainable development within their activity, and TourOperators Initiative launched a good practice guide for hotel keepers, focused on environmental and social aspects

in the field of tourism. Tourism companies' efforts in the field of social responsibility and of sustainable development are recognized through different certification and accreditation schemes, whose application usually result in the right to use a certain label (generally an ecological one). There are multiple initiatives related to the certification and accreditation of the tourism social responsibility and sustainable development. Some of the initiatives are international such as www.greenglobe.org, www.travelife.eu, www.yourvisit.info, www.blueflag.org.

The European business environment became a well-defined one. Specific elements such as: European cultural values, euro-clusters, European marketing, strategies for Europe, etc. can be found now in the specific literature, and almost all the firms working in European Union take into consideration specific aspects on doing business in this part of the world (Tescăşiu 2014, 193-198).

As the social responsibility has a growing importance within their business, an increasing number of hotel companies adopted codes of conduct and reporting standards that take into consideration also the social and environmental results, not only the financial ones, and that adhered to various certification and accreditation schemes mentioned before.

The large international hotel chains (many of them being present in Romania as well) count among the first companies including into their annual reports also the social responsibility: Marriott, Hilton, Wyndham, Accor, Rezidor, IHG and NH Hotels. The hotels of Romania showed as well interest in the field of corporate social responsibility and of sustainable development, 14 hotels being trained in the “*Program for sustainable development of Romanian companies oriented towards increasing the national expertise in the fields of Clean Production and Corporate Social Responsibility in tourism*”. Moreover, some Romanian hotels initiated procedures towards ecolabelling, the first Romanian hotel certified in this respect being Hotel Vega, which was certified as “Eco Hotel” in 2009 by TUV Rheinland (<http://www.hotelvega.ro/eco-hotel>).

The interest in environmental labels increases, as companies realize that they may have a market advantage by using different environmental declarations and claims (Frunteş 2014, 269).

2. Objectives

The aim of this paper is to present a synthesis of a research carried out with the main purpose of determining the way in which hotel units of Braşov got themselves involved so far into CSR actions, as well as the way they intend to act in this field in the future. The research hypotheses were: *Most of hotels got themselves involved to a small extent into CSR actions; Hotels of Braşov subject to this case study show interest in CSR; The priority CSR field approached by the four hotels forming the sample aims the Environmental Protection; The employees of hotels of Braşov are*

interested in company's involvement into CSR activities; Generally, hotels consider expensive adopting certain measures of CSR. The investigation's objectives targeted the following aspects: *To identify the types of CSR actions implemented so far by the hotel units being analyzed; To assess the hotel keepers' attitudes in respect of the importance of taking certain measures of social responsibility with impact both on the environment, and on tourists; To set different CSR actions and campaigns, where the units being analyzed get involved; To identify the ends pursued by getting involved into CSR actions.*

3. Material and methods

We used as research method the semi-structured interview (in-depth semi-directive interview). Considering the research topic, we selected four accommodation units of Braşov, with different classifications, segments of tourists and internal policies: the 3-star Kolping Hotel, the 4-star House of Dracula Hotel, the 4-star Ambient Hotel and the 5-star Aro Palace Hotel. The subjects of the research were four employees of the previously mentioned hotels.

After analyzing the websites of hotels part of this research, we found that they do not include any information about involvement into social responsibility actions or implementation within the hotel of different actions of saving the electricity, water or about holding certain ecological certifications (Hotel Ambient, Hotel Kolping, Aro Palace, House of Dracula).

4. Results and discussions

Upon performing the qualitative research, by using the method of in-depth semi-directive interview, in order to determine the involvement of tourism companies of Braşov into CSR actions, the subjects being interviewed expressed both different and similar opinions related to the brought up topics.

Each subject had a different approach to the meaning of CSR concept. For the manager of House of Dracula Hotel, CSR mainly means *the responsible involvement of hotel and its employees into social issues*, the representative of Marketing Department of Aro Palace Hotel sees CSR in the light of *generating certain benefits for the local community where the activity is being carried out*, the manager of Ambient Hotel considers it *projected into actions for charity in the benefit of disadvantaged individuals, as well as the implementation within the hotel of certain saving systems with positive effects on the environment*, and for the manager of Kolping Hotel this concept implies *the company's involvement into education*.

Related to the common types of CSR actions in which the hotels under analysis got themselves involved up till now, the subjects mentioned *actions aiming*

the implementation of energy saving systems in the hotel rooms and the provision of internships for students. Other common actions are “*Hosting charity events*” and “*Giving holiday presents to orphanages and asylums for the elderly persons*” (except for the Kolping Hotel). In case of House of Dracula and Aro Palace Hotels, the common CSR action is “*Greening*”, in case of Aro Palace and Kolping Hotels, the interviewed subjects mentioned “*Support for certain cultural actions*”, and a common action of Aro Palace and Ambient Hotels is “*Sport sponsorship*”.

CSR actions distinct in case of each hotel: “*Putting donation boxes at the reception desk*” in case of Aro Palace Hotel and “*Donations of bedclothes, towels to hospital units for elderly people and orphanages*”, for the Ambient Hotel.

In case of the interview performed with the subject representing the Kolping Hotel, he mentioned actions such as: “*Support for university students*”, the project called “*Feed for Future*”, “*Special rooms for impaired persons*”, “*Support for the Association for Tourism Development and Promotion of Braşov*”, as well as a project with a “*Summer school*”, “*Partnerships with different paper recycling centers, used oil recycling centers and with the center called The place of waste is not at home*” and numerous campaigns such as “*Improving the quality of life for disadvantaged individuals*”, “*Food for Orphans*”, “*Kolping means communion*”, “*A week volunteering with Kolping Oituz*”, “*Open your heart for all the beloveds and become a volunteer*”, “*A happy day with 23 children from the Foster Care Center*”.

The motivations for the involvement of the four hotels into CSR actions are different. For the House of Dracula Hotel, the main motivations are *team building, saving, charity, popularization of hotel image*, for the Aro Palace Hotel are *support for cultural activities leading to partnerships, attraction of a higher number of tourists, increasing the prosperity of the local community by attracting tourists, charity*, the latter being common also for the Ambient Hotel together with *environmental protection*. The main motivation of the involvement into CSR actions mentioned by the subject representing the Kolping Hotel is to support the youth.

Related to the costs covered by hotels in order to implement the CSR actions listed above, in case of the House of Dracula Hotel they do not exist, there are medium costs for Aro Palace and Ambient Hotels, and low costs for the Kolping Hotel.

Related to **the importance of taking certain CSR measures**, the subjects representing House of Dracula and Aro Palace Hotels consider *that this is important for the general image*, while subjects representing Ambient and Kolping Hotels consider them important *for the environmental protection and community support*. Regarding the extent to which such actions influence the flow of tourists, in case of the House of Dracula Hotel these actions *have a significant impact, an inexistent impact* for the Ambient Hotel, while for Aro Palace and Kolping Hotels, *they have a low impact*. The hotel keepers of House of Dracula, Aro Palace and Ambient consider *that tourists' perception related to their involvement in such actions depends on the cultural level of each tourist, and also on their education*. The manager of Kolping Hotel thinks that *foreign tourists are surprised and responsive*,

the entire CSR activity of the hotel being well perceived by them, providing them with personal satisfaction through their contribution.

At this moment, except for the Aro Palace Hotel which plans to organize this year a charity ball, the rest of hotels have no plans to get involved into CSR actions or campaigns. In time, there were few collaborations between hotels and various organizations in order to organize the CSR campaigns; the subject representing the Ambient Hotel said that *he did not remember their names, but there were some profit and non-profit organizations*. The subject of Aro Palace Hotel mentioned a series of organizations with which the hotel collaborated in the past within CSR actions: *“Happy Mum”, “The Land of Dreams” Playground, “Zile și Nopti” magazine, Reduta Cultural Center*. The subjects representing the House of Dracula and Kolping Hotels said that they had collaborated with the non-profit organizations *“Protect the forests” and “Kolping”*.

The benefits aimed by the four hotels following a CSR campaign were *“To improve the image” and “To increase the number of tourists”* (in case of subjects representing the House of Dracula and Aro Palace Hotels). Other distinct benefits that were mentioned were *“Increasing profits” and “Getting promotion through mass-media” and “Generating partnerships”*. The subjects representing Ambient and Kolping Hotels did not think about any benefit, all their actions being performed for *humanitarian purposes*. These two hotels did not consider any benefit in the relation with the competition. The managers of the House of Dracula and Aro Palace Hotels considered also benefits such as *“A higher market share” and “Attracting the tourists of the competitors”*.

From the ***CSR fields which hotels would like to get more involved in*** we mention *“Marketing related to a noble cause”*, all hotel keepers interviewed during research wanting to get involved in this field, followed by *“Education”* (except for the Kolping Hotel which already has a significant contribution in this respect). Another field of involvement for Kolping and Ambient would be *“Volunteering in the community”*. The House of Dracula Hotel would want to approach in the future also the field related to the *“Human rights”*.

In respect of the question targeting ***the reason why hotels get themselves involved into CSR actions***, the manager of the House of Dracula Hotel confessed that it mainly represented a *marketing tool*; the representative of the Marketing Department of Aro Palace Hotel considered that this type of actions imply *benefits for both the environment and local community*, but in the same time is a *marketing tool* as well. The subjects representing the Ambient and Kolping Hotels consider that *their actions do not represent a marketing tool*. In the same time, these subjects asserted that *they did not have any expectation as a result of the implementation of a CSR campaign within their hotels, their actions being taken for humanitarian purposes only*.

The expectations of the House of Dracula Hotel representative, in respect of the result of hotel's involvement into CSR actions, aim to improve the image on internal and external markets, to attract new segments of tourists, to increase the

number of tourists. The increase of number of tourists is mentioned at the question targeting the subjects' expectations in respect of the benefits of hotels' involvement into CSR actions and in case of the subject representing the Aro Palace Hotel, together with the increase of appreciation coming from the local community and the increase of youths' will to join the hotel's team.

Related to **holding or obtaining ecological certifications**, as well as to receiving awards for hotels' involvement into CSR activities, the Ambient Hotel is *the only one which holds a "Eurotoc" certification*, being a certification granted to the restaurant for using natural ingredients into its kitchen. The Kolping Hotel *plans to obtain a "Green Hotel" ecological certification* and the House of Dracula and Aro Palace Hotels *do not hold any certification, would want to, but they consider them too expensive and unsuccessful.*

The strategy to involve tourists into CSR actions, implemented by all four hotel units, is represented by the *room posters intended for tourists*, calling for savings and social responsibility. Another strategy was mentioned in case of the House of Dracula and Kolping Hotels: *keeping tourists up to date related to CSR campaigns being carried out in Braşov*. Tourists' opinion about different CSR actions and campaigns vary from one hotel to another. The manager of the House of Dracula Hotel considered that *tourists were divided into different categories, i.e. some of them got involved as they were shocked by the high amounts of trash or for enjoying a new experience, while others were totally indifferent.* The representative of Aro Palace Marketing Department asserted that *the hotel did not have any feedback from the tourists*, and the manager of Ambient Hotel thinks that *tourists show a low level of interest.* The manager of Kolping Hotel claims that *foreign tourists are curious and delighted with the presence of the trainees, and also with the support the hotel provides them with, all this being possible thanks to the contributions of tourists, the latter enjoying this way a personal satisfaction.* Moreover, all hotel representatives asserted that *tourists showed a low level of involvement into their CSR actions*, this fact being the consequence of a low level of awareness in respect to saving and environmental protection.

Related to the idea of *drafting programs within the hotel in order to raise awareness among both employees and tourists*, the hotel representatives were receptive to such idea. Thus, *planning certain thematic evenings for the interested tourists, with topics strictly related to the social responsibility* represent a successful idea in case of the House of Dracula and Kolping Hotels. The manager of Ambient Hotel considers that *such programs would turn into successful stories only if they were providing the tourists with some incentives.* The subject representing the Aro Palace Hotel considered *tourists as being less responsive than the employees.* All the interviewed subjects consider that *their employees would want to get themselves involved to a great extent into their CSR actions.*

Related to the **ways to stimulate the employees and tourists in order to determine them to have as much desire for commitment as possible in respect of the CSR actions**, the subjects gave some examples of incentives such as

competitions, awards, raffles, team building. The strongest incentive the subjects consider they could offer to the tourists, in order to determine them to act responsible outside the hotel as well, contributing this way to the environmental protection, is *the education provided within the hotel to both tourists and employees by making presentations, videos, presenting real cases with the effects of their irresponsible actions on the environment and the future generation.* Other strong incentives taken into consideration are *the financial penalty and the legal obligation.*

The hotels being analyzed are less involved into CSR actions, as a result of the lack of information, time and financial resources, considering in the same time that their tourists have a low level of awareness and education in this respect and that their efforts would have no success, but they would be receptive to get themselves more involved into the field of CSR in the future.

5. Conclusions

The subjects being interviewed had a different perspective over the CSR concept, getting involved into few actions of this kind during their time of activity. They approached common fields, but they had distinct projects as well, with different motivations either for charity purposes or for their image, these implying low or medium costs.

In respect of their future actions, the subjects said that they did not plan any possible campaigns, except for the Aro Palace Hotel which will organize at the end of the year a charity ball, also being the only hotel that collaborated over time with several organizations in order to carry out CSR actions.

The main benefits taken into consideration following a possible CSR campaign are those related to image improvement, tourist number increase, charity, higher market share and even attracting the tourists of the competitors.

The fields related to CSR, in which most of the subjects want to get their hotels involved in the future, are the *“Education”*, *“Marketing related to a noble cause”* and *“Volunteering in the community”*. Related to the strategies adopted by the hotel keepers in order to involve the tourists into their CSR actions, the only strategy implemented within the selected hotels was that of hotel room posters intended for tourists, calling for savings and social responsibility, most of the interviewed subjects considering that tourists' opinion differ depending on their culture, level of education, the foreign tourists being more receptive, showing interest or curiosity, while the Romanian tourists presenting, in general, a low level of commitment and awareness in respect of hotel's CSR actions or campaigns.

Related to the general hypothesis of the research, they were mostly confirmed. Thus, the first hypothesis proved to be true, as the analyzed hotels got themselves involved to a small extent into CSR actions, the Aro Palace hotel proving the highest level of involvement through the types of actions mentioned above, and also the Kolping Hotel through the Kolping organization. Moreover, the hotels' management boards show a real interest in the field of CSR, but there are conditionings related to the lack of time, financial resources and proper information. The interviewed subjects

claimed that the employees were interested and eager for involvement into CSR actions, but they considered them too expensive and with no impact on tourists. There was also a hypothesis which proved to be false, i.e. the one related to the main CSR field approached by the hotels forming the sample of Braşov. The hypothesis claimed that "*Environmental protection*" was on top of the subjects' preferences, but after analyzing the answers we found that the fields mostly mentioned were "*Education*", "*Marketing related to a noble cause*" and "*Volunteering in the community*".

The subjects were receptive to the idea of drafting within their units some educational programs for their employees and tourists, proposing the planning of thematic evenings and educational programs for the interested tourists, with topics strictly related to CSR. Moreover, all subjects said that their employees would want to get involved to a larger extent into the CSR actions of the hotel. In order to determine a higher desire of involvement among both employees and tourists, the subjects gave examples of incentives such as raffles, awards, recreational activities after work, cocktails, competitions, team building, or discounts for certain offers. The strongest incentive making them to act responsible outside the hotel as well, thus contributing to the environmental protection, is represented by the education of both tourists and employees of the four hotel units.

Following the analysis of the conclusions of the qualitative research, we consider necessary a higher involvement of the management board in order to create a department dedicated to the CSR field, with a solid prior documentation in order to truly understand the purpose of involving the hotel into this kind of actions.

Another important issue is represented by the subjects' assessment of the portfolio comprising the implications into CSR actions of the international hotel chains, in order to be able to understand the importance of implementing such measures and to collect possible examples to follow within their units. A good collaboration between the accommodation units of Braşov, city hall, tourism associations and non-profit organizations could also bring benefits, in order to plan together as many CSR campaigns as possible and also to inform tourists about all campaigns and events taking place in Braşov and to determine them to get involved, with proper arguments. Other recommendations could be: conceiving within hotels certain educational programs for tourists and employees related to social responsibility; adopting certain strategies that could determine the tourists to get involved to a larger extent into the hotel's CSR actions, involving periodically the hotel into different actions and campaigns covering all CSR fields, i.e. "Environmental Protection", "Human Rights", "Marketing related to a noble cause", "Volunteering in the community", etc.; performing a thorough assessment in respect of the impact of CSR measures taken by the hotels on the environment and local community; requesting feedback related to the way tourists perceive hotel's involvement into CSR actions; obtaining ecological certifications that could lead to the increase of tourist flow, contributing in the same time to the improvement of image of the four hotels of Braşov being analyzed within this paper.

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