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Management, Altruism and Customer Focus as drivers of Corporate Social Responsibility in Tourism Intermediation

Abstract: Through a sample of 119 travel agencies located in Catalonia (Spain), this study establishes the existence of three different profiles of agencies defined by their managers' Corporate Social Responsibility (CSR) motivations (Management, Altruism and Customer Orientation). These profiles present diverse business characteristics and different CSR behavior. In this regard, belonging to the Altruism factor is correlated with the implementation of three types of CSR measures (environmental, social and economic)

Keywords: Corporate Social Responsibility, Intermediation, Small and Medium Enterprises, Altruism

1. An insight in CSR literature in the tourism sector and in the intermediation subsector

CSR is a complex term broadly defined as the active and voluntary contribution of enterprise to environmental, social and economic improvement. The concept emerged in the 1950s, incorporating concepts such as moral and ethical behavior, respect for all stakeholders and contribution to societal wellbeing, and has grown in the last decades emphasizing the analysis of the drivers or motivations to introduce CSR, especially through instrumental approaches. The investigation of CSR in the tourism sector is not an exception and among the related studies highlights the "natural resource-based" view (Hart, 1995), focusing on big accommodation cases and stressing the conception of CSR as a viable business strategy (Inoue & Lee, 2011). But recent literature has also stressed that the motivations for introducing CSR practices in tourism are tied not only to instrumental objectives but also to ethical considerations, in the form of owners' values in terms of lifestyle, altruism, and social legitimacy (Garay & Font, 2012; Sampaio, Thomas, & Font, 2012; Sheldon & Park, 2010). These approaches are close to the "normative stakeholder" view (Freeman, 1984), which consider that a socially responsible firm must balance a multiplicity of interests (including society and the environment in broader terms).

Beyond the interest in motivations, an overview of the analysis about the implementation of CSR in tourism organizations also shows the prevalence of instrumental visions, stressing the search of a positive relationship between CSR implementation (particularly basic environmental measures) and business performance. However, after years of discussion, empirical evidence indicating a positive relationship between CSR and several aspects of firm performance remains inconclusive (Inoue & Lee, 2011). Moreover, most of the sector's structure has been under-analyzed, as the analysis of CSR in small and medium-sized tourism enterprises (SMTEs) has only become common in recent years. CSR amongst these enterprises had often been characterized as unstructured and informal. However, recent insights have shown that, despite the fact that SMTEs have fewer economic and financial resources or lack information about market demands (Condon, 2004), they still take advantage of some of their features, as their close relations with stakeholders (Jenkins, 2009). Diverse authors (Garay & Font, 2012; Inoue & Lee, 2011) have also revealed how SMTEs owners are

motivated by instrumental (economic) motivations but also by altruism and lifestyle and how they claim to implement CSR practices that require organizational adjustments, identifying significant and positive associations between responsibility implementation and improving performance.

Besides the under-analysis of SMTEs, diverse authors (Nicolau, 2008; Sheldon & Park, 2010) defend the idea that the analysis of CSR in the tourism industry would have to be tackled from the perspective of its different subsectors in order to understand their differential characteristics. In this regard, CSR analysis has been poorly applied to tourism intermediation where the few studies that do exist have been centered basically on the case of single big tour operators (Lozano, Arbulú, & Rey-Maquieira, 2016). Here is an important gap in the analysis of CSR in tourism, as this subsector is especially important in the greening of the tourism supply chain because most of the travel agencies can act as buyers whose requirements can be positively linked to their suppliers' willingness to participate in green supply chain initiatives (Lee, 2008).

Related with CSR motivations, Adriana (2009) has found that the rather undeveloped drivers of improved environmental performances, missing regulatory frameworks and a lack of cost incentives led tour operators to have a relaxed attitude toward CSR adoption. For Sheldon and Park (2010) the main motivations of CSR implementation in the intermediation are enhanced reputation and community-based issues and with a predominance of environmental (rather than social) practices. Dodds and Kuehnel (2010) underline the importance of consumers' influence in the responsible behavior of intermediation, a subsector that is specially oriented to demand. Related with CSR implementation, Carey, Gountas, and Gilbert (1997) found that specialty intermediators were more active in protecting the environment, encouraging destination policy makers to develop viable, long-term strategies. Dodds and Joppe (2005) have corroborated these ideas, confirming that while the majority of travel globally was still mass tourism, specialty operators concerned about CSR implementation were growing in number.

In any case, what is missing is a joint analysis of the responsible motivations and practices in the intermediation subsector, especially in the case of small and medium enterprises, (which are the majority in its structure) and observing possible relationships

with managers and businesses' characteristics. Therefore, this is precisely the aim of this study.

2. Methodology

Empirical research was carried out during winter 2015 in Catalonia (Spain), where tourism is one of the region's main activities. The population for this study comprised the whole intermediation sector, available in a proportionate database provided by the regional government (DEO, 2014) with 2,592 companies, of which 2,103 had a valid email. These companies were sent an online questionnaire through three rounds of data compilation. The resulting sample of 119 establishments provided valid and reliable results with a margin of error of less than 9%, a confidence level of over 95% and a level of heterogeneity of 50%, considering traditional assumptions of normal distribution. Cronbach's alpha for the main variables had valid results, which suggested that there was no problem of selection bias. As occurred in the population (DEO, 2014), more than 90% of the agencies in the sample were micro-enterprises with less than five workers, and none of them had more than ten workers.

Following our research objective and based on previous literature, the questionnaire asked respondents about themselves (gender, age, level of education and the role of the manager) and about their businesses' characteristics (age, number of workers and chain membership, family businesses). Next, a new group of variables examined the travel agency profile highlighted in the sample (wholesale or retail, outbound or inbound, products offered, preferred destinations, customers' preferences, and use of ICTs). Finally, to analyze the possible relationships with financial performance, two questions were added about their perception of the current financial situation and its recent evolution (with a five-point Likert scale ranging from "very bad" to "very good").

Directly talking about CSR behavior, four key questions were included, beginning with question presenting 24 different motivations including economic, ethical, lifestyle or legitimization possibilities (using five-point Likert scale perception questions) and a dicothomic question about practices (three groups of economic, social and environmental measures). The use of a five-point Likert scale in the Motivations questions allowed the construction of diverse factors, that were found using Principal

Components as the extraction method, with Varimax rotation and which explained variance was 67%. It is important to add that the factorial analysis was only exploratory, with the objective of defining a model for future studies, and that the validity and reliability of all variables and factors was ensured. The validity of each construct was evaluated through a factorial analysis of each measure, later applying a reliability analysis that gave a valid Cronbach's alpha (greater than 0.7).

3. Results

Managers' main motivations for introducing CSR (Table 1) reveal the predominance of altruistic motivations, social commitment and environmental protection, followed by an economic motivation related to the business' image, another related to improving the destination and, finally, a personal motivation related to lifestyle. Directly behind there is a new group of motivations that involve searching for legitimacy in the eyes of customers and workers, making improvements to management and gaining a competitive advantage beyond cost savings. Regarding the factorial analysis, three factors were obtained. The first factor, called "Management", groups a series of instrumental motivations that have to do with business management and with reporting to some of the main stakeholders (business associations, business groups, tour operators, public administration, workers). The second factor, "Altruism", includes ethical and personal motivations related to social commitment and environmental protection as well as lifestyle. The third factor, called "Customers", groups together diverse motivations related with the agency's image and, in general, with customer focus and response, to which the technological element is added.

[Table 1 near here]

Moving on to the subject of CSR implementation, results show a specific pattern for intermediation, where social (with a mean of 31.8%) and economic practices (the mean was 30.6%) obtain better monitoring percentages than the environmental practices (with a mean of 19.1%). "Eco-savings" (recycling, energy savings, etc.) have, as would seem logical, a low level of implementation. In the case of social practices, results show a greater degree of implementation for some variables, highlighting the commercialization of products committed to the reality of the destination and its

communities. In terms of economic practices, respondents highlight those related to fair wages or contracting providers that favor local development.

Next, we have used Pearson correlation coefficient to measure the linear associations between business variables and factors. Among the significant ones, regarding the "Management" factor, there is a positive relationship between this profile and the offering of "business tourism" products and the work with national destinations and a negative relationship concerning "ecotourism" and "cultural" products and the fact of improving financial results through CSR implementation. Regarding the "Altruism" factor, it has a positive and significant relationship with the feminine gender, the manager's academic level, the offering of "ecotourism", the work with local destinations and with Social Media or the fact to present itself as a specialized agency. Moreover, it has a negative relationship with the offering of traditional products like "sun and sea" or "snow/ski" tourism. Thirdly, in the case of the "Customers" factor, there are positive and significant relationships with the masculine gender, the years the business has been open, not being a family-run agency or offering "business tourism" products. Most important, in Table 2 the relationships between these factors and the reported CSR practices can be observed, where the "Altruism" factor is the one that correlates with all three kinds of practices.

[Table 2 near here]

4. Discussion and Conclusions

The present study ascertains just how far from homogenous the vision and behavior of small and medium travel agencies' managers is in regard to CSR, detecting diverse factors that explain the detected differences. It is first necessary to point out that more "instrumental" motivations, linked to business management processes or to customer and market orientations (Carroll & Shabana, 2010) are also present when explaining the positioning of these agencies in terms of CSR, but there is another type of factor, such as altruism and lifestyle (Sampaio et al., 2012), that explains more clearly the contrasted differences. Altruism as an explanatory factor relates to a certain travel agency profile (small and medium-sized, independent, specialized) but also with the owner/manager profile (the feminine gender or a higher level of education are discriminant factors) and

with the use of Social Media. From this point of view, the motivation to introduce CSR seems to be tied more closely to a vital business project than to research into new markets or short-term profits. Furthermore, altruism is the only motivation who seems to be directly related with a highest level of implementation in the triple-bottom line of CSR measures

The study provides theoretical and managerial contributions, as it shows the existence of three different profiles of travel agencies according to owners' motivations to introduce CSR and it confirms how these profiles determine CSR behavior. This is also related with diverse recommendations addressed both to the public administrations and to the private sector. In this regard, the study recognizes the persistence of two "conventional" profiles of travel agencies with a greater market share but with a vision of CSR that is limited to increasing competitiveness. In these cases, corporate action from these businesses' associations providing agencies interested in increasing their commitment to CSR with specific help, recommendations and resources could be of interest. In addition, a new profile emerges, the one represented by entrepreneurs with a high degree of personal motivation and innovation, which understand CSR as a factor aimed at responding diverse stakeholders' interests. Moreover, this goal does not depend so much on the creation of advertising campaigns as on the natural surroundings and empathy with these stakeholders. Therefore, a recommendation would be to suggest that these businesses' associations introduce an identifiable CSR certification that could have a markedly demonstrable effect allowing CSR to be promoted.

Finally, as a quantitative snapshot relying on self-reported data, this study has a number of limitations. The factorial analysis has been limited to the businesses' motivations for acting sustainably. This clearly limits their explanatory value and the ability to test in full the concept of sustainability. Expanding the research to consider other cognitive and social aspects would provide a richer understanding of the CSR drivers. Furthermore, qualitative studies would be interesting to appreciate the gap between self-reported and actual behaviour, and go deeper into the reasons for acting sustainably.

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Table 1. Motivations for introducing CSR in the intermediation sub-sector. Catalonia, 2014.

Percentage of answers on a five-point Likert scale and matrix of rotated components

	Totall y disagr ee	Rathe r disagr ee	Neith er agree nor disagr ee	Rathe r agree	Totall y agree	Busin ess	Altru ism	Cust omer s
To meet the requirements of an association	16.1	15.1	43.0	20.4	5.4	.883	016	.126
To meet the requirements of a business group	17.0	11.7	48.9	18.1	4.3	.834	077	.061
To save on costs	12.2	9.2	35.7	28.6	14.3	.831	006	.196
To meet the requirements of a tour operator	17.4	12.0	42.4	17.4	10.9	.818	009	.136
To obtain greater economic profits	11.3	15.5	38.1	23.7	11.3	.798	.138	.151
To improve business' operations management	9.5	10.5	37.9	31.6	10.5	.784	.088	.323
To access advice and/or networks	14.0	12.9	43.0	23.7	6.5	.769	004	.325
To obtain a certification	15.8	11.6	42.1	23.2	7.4	.768	.016	.306
To meet the requirements set by the administration	15.6	9.4	34.4	28.1	12.5	.765	060	.127
To be pioneering in the face of future regulations	9.3	8.2	42.3	25.8	14.4	.759	.143	.283
To access more easily investments	22.6	10.8	47.3	15.1	4.3	.727	213	.319
To obtain comp. advantages beyond cost savings	5.4	8.6	43.0	29.0	14.0	.704	.366	.064
To access subsidies	19.1	18.1	41.5	17.0	4.3	.686	200	.419
To obtain useful inform. to manage the company	6.5	6.5	38.7	33.3	15.1	.672	.190	.445
To improve the level of satisfaction of workers	6.0	8.0	29.0	34.0	23.0	.578	.290	.461
Because it was easy to carry out	8.4	15.8	50.5	20.0	5.3	.552	.009	.430
Due to personal beliefs/it is my lifestyle	0.0	1.9	29.1	42.7	26.2	.035	.846	075
To improve society	0.0	1.9	17.3	48.1	32.7	084	.837	.235
To protect the environment	0.9	3.8	18.9	38.7	37.7	.085	.781	.270
Positively impacts on the destination	1.0	2.1	28.1	37.5	31.3	082	.758	.100
Benefits the image of the company	1.0	2.0	23.5	46.9	26.5	.176	.342	.795
ICT facilitate its implementation and diffusion	7.3	7.3	42.7	30.2	12.5	.245	.135	.745
To attain new customers	5.1	4.0	31.3	39.4	20.2	.529	.093	.567
To cultivate my customers' loyalty	2.0	7.1	25.5	39.8	25.5	.435	.443	.531

Method of extraction: Main components. Method of rotation: Normalization Varimax with Kaiser. The rotation has converged in 5 iterations. Kaiser-Meyer-Olkin sampling adequacy measure: 0.863. Bartlett's test of sphericity: 1562 (Sig 0.00).

Table 2. CSR practices and owners'/managers' motivations for introducing them. Intermediation sub-sector. Catalonia, 2014.

Linear regressions. Values, significance symbols, F-ANOVAs regressions and R²

		Coefficients not standardized coefficients B Typ. Beta error			t	Sig.
					8	
Dependent: environmental	Constant	.199	.023		8.787	.000
practices	Management	009	.023	036	384	.702
	Altruism	.142	.023	.588	6.238	.000
(F ANOVA=13.165 (***) and R ² =0.593)	Customers	015	.023	062	655	.514
Dependent: social practices	Constant	.341	.026		13.189	.000
	Management	014	.026	052	525	.601
(F ANOVA=9.634 (***) and	Altruism	.139	.026	.529	5.340	.000
$R^2=0.533$)	Customers	.009	.026	.032	.328	.744
Dependent: economic	Constant	.327	.024		13.422	.000
practices	Management	026	.025	109	-1.073	.287
	Altruism	.118	.025	.488	4.818	.000
(F ANOVA=8.129 (***) and R ² =0.500)	Customers	004	.025	014	143	.887

Note: ***=p<0.001. Without multicollinearity problems with IVF or condition indexes.