Discussion paper

Online CSR communication in the hotel industry: Evidence from small hotels

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A B S T R A C T

This paper examines how corporate social responsibility (CSR)-certified hotels communicate CSR on their websites, how guests comment on hotels' CSR engagement in online reviews and how hotels respond to online reviews. The CSR communication strategies of stakeholder information, response and involvement of Morsing and Schultz (2006) were used as conceptual framework. Three studies were conducted. Based on a sample of 47 Austrian CSR-certified hotels, the first study explored the extent to which hotels communicate CSR activities to stakeholders via their webpage. The second study analyzed 1383 customer online reviews of the same hotels on TripAdvisor® with regard to CSR references. The third study analyzed hotels' responses to online reviews. Results show that environmental issues and supplier relations receive highest attention from hotels and customer reviews. Employee relations are less frequently communicated and addressed in reviews. The three studies uncover opportunities for intensified stakeholder integration in CSR engagement and communication strategies.

1. Introduction

Tourism, hospitality and leisure is a sector, in which companies increasingly engage in actions of corporate social responsibility (CSR) (Coles et al., 2013), the industry thus being no exception regarding the rising importance of CSR in the business world. CSR concerns "actions that appear to further some social good, beyond the interests of the firm and that which is required by law" (McWilliams and Siegel, 2001, p. 117). Customers are increasingly more socially conscious and demanding of CSR adoption (Bonilla-Priego et al., 2011; de Grosbois, 2012; Miller, 2003; Smerecnik and Andersen, 2011) in most parts of the world (Diehl et al., 2016). Considering that "businesses cannot hope to enjoy concrete benefits from CSR unless they intelligently communicate about their initiatives to relevant stakeholders" (Maignan and Ferrell, 2004, p. 17), an appropriate approach to addressing consumers is essential.

This paper focuses on online CSR communication in the hotel industry, a topic that has attracted increasing research, but which is still considered under-researched (Coles et al., 2013; Line and Runyan, 2012). The Internet offers a wide array of possibilities to engage in different kinds of online CSR communication, e.g. through corporate websites or social media. For hotels, hotel websites and review platforms, as an example for social media in the tourism industry, are relevant CSR communication channels. Particularly smaller hotels can profit from the inexpensive, flexible and readily-available tools the Internet provides for CSR communication.

The present paper aims to investigate the relationships among hotels' CSR communication efforts via their websites, customer feedback on hotels' CSR efforts via online reviews, and hotels' responses to reviews. It investigates smaller, non-chain hotels (often privately-owned) that are rather infrequent subjects of analysis, even though they are a frequent form of accommodation in many countries (Austria being one of them) (Thomas, 2000). In addition, the hotels analyzed in the current research have received CSR-related certification to account for their engagement in CSR.

The conceptual framework in this research draws upon Morsing and Schultz's (2006) typology of CSR communication strategies that is based on stakeholder theory (Freeman, 1984). The theory states that organizations have to establish and maintain relationships with their stakeholders, which requires communication. Thereby, stakeholders are offered all necessary information to learn about a company's CSR performance, e.g. through a CSR report on a company's website. Morsing and Schultz (2006) suggest a move from a purely informative one-way CSR communication (stakeholder information strategy) to two-way communication strategies, which call for dialogue with stakeholders to integrate their CSR concerns (stakeholder response strategy) and, finally, for installing iterative communication processes with the aim of actively involving and engaging stakeholders (stakeholder involvement strategy). To examine these CSR communication strategies in the hotel industry and hotels' online CSR communication, three studies were conducted. Study 1 examines the extent to which hotels communicate their CSR activities to their stakeholders via their webpages and the specific CSR issues communicated on hotels' websites. Study 2 focuses on consumers as sources of CSR information by analyzing which aspects of hotels' CSR commitments guests value enough to reference in their

reviews, which may serve as stakeholder feedback for hotels following two-way CSR communication strategies. Study 3 examines hotels' review responses with regard to CSR communication.

The chosen three-study research design allows to ascertain how hotels communicate about their CSR activities on their websites, which CSR issues are considered noteworthy by consumers in their reviews and which CSR activities hotels address in review responses. Through this, opportunities for intensified stakeholder integration in the CSR engagement and communication strategies of hotels are identified. Thus, the three studies contribute to our understanding of online CSR communication strategies in the hotel industry and of CSR as a means of differentiation and competitive advantage creation for hotels. Moreover, we contribute to the literature on CSR communication through advancing a CSR dimension framework for countries in which regional supplier relations and organic farming and food are highly valued (e.g. Austria), and through highlighting the relevance of these specific CSR dimensions for consumers and for the web presence of hotels.

2. CSR and CSR communication in the hotel industry

The responsibility of hotels towards their natural, economic, social and cultural environment is of utmost importance, as this environment is part of the tourist product, determining quality and satisfaction of the tourist's experience (Frey and George, 2010; García Rodríguez and del Mar Armas Cruz, 2007; Smerecnik and Andersen, 2011). Destination managers and decision-makers in the hospitality industries are increasingly implementing ecologically sustainable practices, providing ethical alternatives for tourists to spend their holidays (Dolnicar and Leisch, 2008; Smerecnik and Andersen, 2011). Irresponsibility on the corporate side can easily lead to irreversible detrimental environmental and socio-cultural impacts. For the hospitality industries, these could be environmental pollution, land consumption, loss of biodiversity, increasing energy consumption, loss of local heritage or financial exploitation of local populations (Jucan and Dolf Baier, 2012).

A challenge for hotels and, in fact, all companies wanting to conduct CSR measures, lies in the measurement of CSR performance. This includes the measurement of emissions, waste, resource use, occupational and customer health and safety, anti-competitive behavior and non-discrimination, among others (Skouloudis et al., 2009; Yadava and Sinha, 2016). Consequently, there are several initiatives aiming to aid companies with this endeavor. Among these are the Global Reporting Initiative and the Carbon Disclosure Project but also industry-specific initiatives such as the Hotel Sustainability Tool, the Hotel Carbon Measurement Initiative, the Hotel Water Measurement Initiative and the Hotel Footprinting Tool.

For the public perception of a hotel's practiced social responsibility what counts is not only what the hotel does, since stakeholders would rarely know about that, but what the hotel communicates that it does and how this is then perceived by its stakeholders (Öberseder et al., 2013). However, before CSR can be communicated, it is essential that hotels can measure their CSR actions. Consumers and other stakeholders must then receive correct and relevant information about a hotel's CSR engagement to consider it in their decisions (Crane and Glozer, 2016; McWilliams and Siegel, 2001). Morsing and Schultz (2006) indicated that corporate CSR engagement necessitates more sophisticated and continuous stakeholder awareness, which requires increasingly sophisticated CSR communication strategies. Therefore, CSR communication is of utmost importance for hotels, so that their investment in CSR initiatives does not stay invisible (Moisescu, 2015; Pérez and Rodríguez del Bosque, 2014). If the communication is managed successfully, it will be rewarded with higher consumer awareness of CSR, with strong and mostly positive reactions from stakeholders and higher brand equity (Andreu et al., 2015; Morsing and Schultz, 2006; Öberseder et al., 2011). CSR-washing, the practice of using "a false CSR claim to improve a company's competitive standing" (Pope and Wæraas, 2016, p. 175) must also be acknowledged at this point. Such unethical practices in CSR communication must certainly be avoided, as they undermine the core of corporate social responsibility through irresponsible behavior, and, besides, deviations between a company's CSR communication and business practices disclosed by other sources can have negative effects on a firm's image and sales (Wagner et al., 2009).

CSR communication can be disseminated via various channels, including CSR reports, corporate websites, CSR advertising, public relations and social media. Within the domain of online CSR communication, corporate websites are among the most common and important tools (Du and Vieira, 2012; Wong et al., 2015). Social media also lend themselves to corporate CSR communication. In the tourism and hospitality sector, social media platforms, such as TripAdvisor®, are strongly frequented by the key stakeholders, former and potential guests, thus providing a further channel for corporate CSR communication (Mkono and Tribe, 2016). Online CSR communication thus has great potential for smaller companies or hotels, seeing that the Internet is a cheap, easy and flexible way to present companies in whatever way is desired and this 24/7, to all stakeholders imaginable (Du and Vieira, 2012).

3. Conceptual framework and research questions

Based on stakeholder theory (Freeman, 1984), Morsing and Schultz (2006) developed a framework of CSR communication strategies, to incorporate stakeholders as elements of corporate strategy development, which might bring competitive advantages to companies. These are (1) the stakeholder information strategy, (2) the stakeholder response strategy and (3) the stakeholder involvement strategy.

The stakeholder information strategy is a one-way strategy, whereby communication is issued from the company to its stakeholders. It is a strategy of 'telling', not of 'listening'. The goal is informing the stakeholders about the organization and its good intentions and deeds, thus ensuring positive stakeholder support (Morsing and Schultz, 2006). The stakeholder response strategy is based on a two-way asymmetric communication model. The company issues communication to its stakeholders and the stakeholders return communication to the company. The goal is to change public attitudes and behavior, gaining endorsement from external stakeholders, e.g. consumers. With the issued communication, the company wants to convince its stakeholders of the company's attractiveness. However, this strategy is still rather one-sided and the company risks shutting its eyes to the truth and only hearing its own voice reflected back (Morsing and Schultz, 2006). The stakeholder involvement strategy has companies enter into dialogue with stakeholders, influencing but also seeking to be influenced by them. Thus, the company is also expected to change its CSR activities when stakeholders challenge the predominant ones. When following the stakeholder involvement strategy, companies should constantly and systematically invite negotiations with their stakeholders (Morsing and Schultz, 2006). Such stakeholder dialogue often happens via online discussion forums and social media interaction.

The crucial idea behind stakeholder dialogue is the engagement of stakeholders so that it is guaranteed that their voice is heard and their needs are met (Golob and Podnar, 2014). Stakeholder engagement, often erroneously simplified to be synonymous to corporate responsibility in action, can be defined as "practices the organisation undertakes to involve stakeholders in a positive manner in organisational activities" (Greenwood, 2007, p. 315). This may lead to stakeholder empowerment to the degree of joint decision-making, inducing stakeholder-driven changes in organizational behavior. How different stakeholder strategies affect corporate behavior and thus CSR reporting has already been researched, e.g. by Herremans et al. (2016); Manetti, 2011; Manetti and Toccafondi (2012). Still, the greatest managerial task is ensuring that such ongoing, systematic interaction with multiple stakeholders can occur. However, there is little evidence that such