

Research on the Value Effect of Tourism Corporate Social Responsibility

Yang Ye

School of Hotel and Tourism Management, Macau University of Science and Technology, Macau 999078, China.

Abstract: With the increasing development of tourism industry in China, the problems of employees, society and environment are also exposed, whether tourism enterprises fulfill CSR has become an urgent issue nowadays. This paper constructs a theoretical model of the value effect of tourism enterprises' social responsibility and proposes a path to realize the value of tourism enterprises' social responsibility, and finally puts forward relevant countermeasures and suggestions for tourism enterprises.

Keywords: Tourism Enterprises; Corporate Social Responsibility; Corporate Value; Value Effect

1. Introduction

As the market size of China's tourism industry continues to expand, many real-life problems are exposed, such as the environmental issues, the interests of tourists and so on. Government departments and the public have blamed these problems on tourism enterprises and believe that tourism enterprises should take more social responsibility. Nevertheless, most tourism enterprises believe that social responsibility must be undertaken at the expense of their own interests, and completely oppose corporate profits to social responsibility. Therefore, the current situation has led government departments, tourism enterprises, and scholars from all walks of life to ponder: Is there a trade-off between tourism corporate social responsibility and corporate value? It is difficult for academics to reach a unified conclusion and few scholars have so far examined the value creation effect of tourism CSR comprehensively from different theories, mechanisms, and dimensions based on an integrated analytical perspective.

2. Theoretical review and prospect

2.1 Enterprise value

The concept of enterprise value, first born in the United States in the 1960s, is a derivative of the property rights market. According to Cheng Weijin et al. (2021), enterprise value is the sum of the value of existing assets and the value of future investments of an enterprise. However, due to the comprehensive characteristics of tourism industry, this means that the value of social responsibility of tourism enterprises is not only limited to the indicators of financial aspects, but also should include intangible or social value. Integrating the concept of enterprise value, this paper discusses the external market value and the internal management value. According to Feng Zichen (2021), the core judgment element of the market value of an enterprise is the financial performance of that enterprise. If an enterprise has a strong capability of financial indicators, it will be considered worthy of investment, thus increasing the market value of the enterprise. Enterprise management value is the value that enterprises obtain benefits, meet human needs and human pursuits through management activities.

2.2 Tourism corporate social responsibility

Although China's social responsibility research started late, it developed rapidly, and more and more scholars began to pay attention to tourism corporate social responsibility.

2.2.1 Internal social responsibility of tourism enterprises

Shareholder: Wang K et al. (2022) showed that companies that fulfill their responsibilities to shareholders can handle the principal-agent relationship, avoid short-sightedness and opportunistic behavior, and reduce business risks.

Employee: Fu, Wuping (2021) argues that providing adequate salaries and good working conditions for employees, recruiting, and retaining socially responsible employees and providing them with relevant social responsibility training, as well as including

employees' social and environmental performance in performance appraisals and promotion rewards, etc.

Creditor: According to Li Jun (2022), companies fulfill their creditor responsibility to attract more investors and it helps to improve corporate credit and effectively alleviate financing constraints, to obtain the financial support needed for innovation.

2.2.2 External social responsibility of tourism enterprises

Tourists: Cheng Weijin et al. (2021) indicated that responsible tourism companies are more likely to win the trust of tourists and to enhance tourist satisfaction, thus continuously strengthening tourist loyalty and increasing purchase intentions.

Communities: Li, Dong et al. (2022) community satisfaction study has reference and implications for tourism corporate social responsibility implementation as well as community development, governance, and planning, which helps to increase residents' community attachment and support for tourism development.

Environmental: Fu Wuping (2021) argues that, since tourism development and social responsibility issues such as environmental protection and community development complement each other, tourism enterprises have a strong relationship with the environment of tourism places.

Government: Wang, Kai et al. (2022) stated that enterprises operate legally, pay taxes according to the law, and respond positively to the government's green development initiatives to obtain scarce resources such as government R&D subsidies, land approval and institutional support to improve business performance.

2.3 Brand image

Some studies argue that undertaking social responsibility may cause the cost of the company to rise and affect the long-term profit of the company, but more studies argue that the fulfillment of social responsibility by the company is conducive to building the brand image of the company, gaining the favor of consumers, and thus improving the performance of the company. Dan Jiang et al. (2019) demonstrated through an empirical study that brand value is positively related to firm value, and that an increase in brand value promotes an increase in the current and future value of the firm.

2.4 Strategic coordination

Most scholars have used strategic coordination as a moderating variable to explore the moderating effect of strategic coordination on the relationship between firm growth capability and firm performance, and the result is that strategic coordination has a positive moderating effect on firm growth and firm performance. Xiao, Wan-Yu (2021) found that strategic synergy has a positive direct effect on firm performance and plays a positive moderating role in mediating centrality and firm performance.

2.5 Research Review

Although scholars have systematically analyzed tourism CSR and explored the impact of tourism CSR on enterprise value, their research has not fully elaborated on the mediating effect and regulating role of tourism CSR in creating value. Therefore, based on the previous studies, this paper analyzes the direct effect of tourism corporate social responsibility on corporate value, and the indirect effect under the influence of mediating effect and regulating effect.

1. Analysis of the direct role

Most scholars believe that the fulfillment of social responsibility by tourism enterprises helps to improve corporate value and has a positive effect on corporate performance as well as internal management.

2. Analysis of the indirect role

(1) Intermediary effect

With the deepening of scholars' research on CSR, some scholars realize that CSR does not directly create value, but there is a mediating effect between tourism CSR and corporate value, and tourism CSR creates value by improving brand image.

(2) Moderating effect

A few scholars believe that there is a moderating role of strategic coordination between the fulfillment of CSR and corporate value in tourism enterprises, and that elevating the fulfillment of CSR to the strategic level will have a positive effect on the main business and improve the performance of corporate value.

Based on the combing and evaluation of previous literature, this paper constructs a theoretical model of the value effect of tourism corporate social responsibility, as shown in Figure 1.

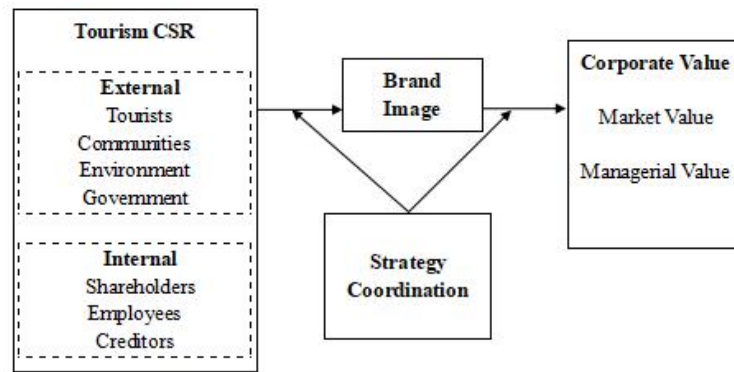


Figure 1 Theoretical model of social responsibility value effect of tourism enterprises

3. Typical problems of the lack of social responsibility of tourism enterprises

First, the lack of shareholder responsibility. The content of social responsibility of tourism enterprises to shareholders is mainly reflected in economic responsibility. Some large travel agencies, hotels, passenger transport companies and foreign hotel groups have good operating efficiency and can bring shareholders a good economic return. However, some small and medium-sized tourism enterprises are barely able to fulfill their responsibilities to shareholders due to their limited strength.

Second, the lack of responsibility of tourists. Tourism enterprises are bent on maximizing their own interests and may appear unauthorized changes in travel routes and other non-compliance with commitments, which undermines the rights and interests of most tourists, and these actions cause serious damage to the image of the enterprise itself and become the most complained about by tourists.

Third, the lack of environmental responsibility. Tourism operators in the process of developing tourism products, often for short-term economic benefits, thus ignoring the ecological and environmental protection, such as over-exploitation, poor protection of tourism resources, only pay attention to economic benefits and ignore the social and environmental benefits, thus causing disharmony between the natural environment and the human environment.

4. Analysis of the influencing elements of tourism enterprise value

4.1 The effect of social responsibility of tourism enterprises on enterprise value

The external social responsibility of tourism enterprises has a significant positive impact on value effect; the internal social responsibility of tourism enterprises has a significant positive impact on value effect. On the one hand, tourism enterprises need to obtain the missing social resources and good business environment from stakeholders; on the other hand, enterprises need to give back to stakeholders through certain forms, i.e., fulfill social responsibility to stakeholders, thus contributing to the improvement of enterprise economic performance.

4.2 The influence of intermediary effect

External CSR helps to improve brand image and thus corporate value; internal CSR helps to improve brand image and thus corporate value. CSR can improve corporate performance by reducing corporate implicit costs. Although corporate social responsibility may increase the corresponding explicit costs, if a company does not fulfill its social responsibility, it will not be able to send a trustworthy signal to its stakeholders, which may bear greater implicit costs such as brand image damage, talent loss, financing constraints, etc., compared with explicit costs, thus reducing corporate performance. Corporate social responsibility helps establish a responsible corporate image, which in turn enhances consumer brand recognition and loyalty, leading to sales and revenue growth and promoting corporate growth.

4.3 The influence of moderating effect

Strategic coordination has a regulating effect between the fulfillment of external social responsibility and brand image of tourism enterprises; strategic coordination has a regulating effect between the fulfillment of internal social responsibility and brand image of tourism enterprises. Strategic coordination can realize cooperation and healthy competition among enterprises and can fully exchange information resources and realize sharing. Enterprises can quickly obtain external resources, including strategic direction, management experience, information technology, etc., which helps to improve their own core competitiveness and is conducive to the enhancement of brand image, thus improving corporate performance.

Strategic coordination has a moderating effect between brand image and corporate value. Xiao Wanyu (2021) found that

strategic coordination not only has a positive direct effect on firm performance, but also plays a positive moderating role in the relationship between intermediary centrality and firm performance.

5. The path of realizing the value effect of social responsibility of tourism enterprises

5.1 The impact dimension of tourism corporate social responsibility on enterprise value

First, shareholder responsibility. Tourism enterprises should regularly report to shareholders on the operation of the enterprise and respect the shareholders' right to know. At the same time, we should put people first, strengthen staff management, improve efficiency, and return shareholders with high economic profits, to attract repeat investment from shareholders and obtain sustainable development.

Second, the responsibility of tourists. Tourism enterprises should focus on and meet the interests and needs of tourists, and constantly create greater value for tourists, to establish a benign interactive interest chain between tourists and enterprises and promote the simultaneous realization of the maximum benefits of customers and enterprises.

Third, environmental responsibility. Tourism companies should write environmental protection as a long-term strategic plan into their corporate development strategy and include it in their annual budget. When developing tourism resources, tourism companies should implement the principle of equal emphasis on development and protection, strengthen environmental protection while pursuing economic benefits, and develop responsible tourism.

5.2 Intermediary effect dimension

5.2.1 Develop an advertising and marketing strategy

Selecting vested stakeholders of social responsibility for advertising and marketing, such as adding public welfare and quality of life orientation to the content in advertising and choosing appropriate advertising and marketing placement methods and placement sites, to achieve the purpose of brand image building.

5.2.2 Strengthen the disclosure of social responsibility information

Tourism enterprises should publicize their activities of fulfilling social responsibility through various media. For example, open a column in their official website for publicity and timely disclosure of information on the fulfillment of social responsibility. In this way, it is not only conducive to the improvement of tourism enterprises' reputation, but also facilitates the outside world to know the situation of tourism enterprises' fulfillment of social responsibility in real time and gain public recognition.

5.3 Moderating effect dimension

The strategic system of the tourism enterprise is constructed so that the objectives of the enterprise members, business units and functional departments are consistent with the overall objectives of the enterprise. In the development of strategic planning, a systematic analysis of the internal and external environment of tourism enterprises is required. Both internal and external strategic synergy are different subjects, and only by establishing a perfect strategic synergy system can we better balance the relationship between all parties and realize benefit sharing and risk sharing.

6. Conclusion

This paper elaborates the value creation effect of tourism CSR and constructs a theoretical model on value creation of tourism CSR to systematically interpret the relationship between tourism CSR and corporate value: First, tourism enterprises' fulfillment of CSR helps to improve corporate value. Secondly, the fulfillment of CSR can build a good brand image, which in turn returns to corporate value. Thirdly, strategic coordination has a moderating effect before the fulfillment of social responsibility and corporate value in tourism enterprises.

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About the Author: Yang Ye (1999-), female, Han nationality, Shantou, Guangdong, master's student in the School of Hotel and Tourism Management, Macau University of Science and Technology. Research interests: hotel management, marketing.