

A Review of Research on the Value Effects of Tourism Corporate Social Responsibility

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Abstract: This paper firstly composes and defines the concepts of tourism corporate value, corporate social responsibility, brand image and strategic synergy, secondly elaborates the value creation effect of tourism corporate social responsibility, and finally constructs a theoretical model on value creation of tourism corporate social responsibility based on the systematic compendium and evaluation of existing literature to systematically interpret the relationship between tourism corporate social responsibility and corporate value.

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

Introduction

In his speech at the 2018 Tourism Group Development Forum, Duan Qiang, president of the China Tourism Association, pointed out that cultural and tourism enterprises pay attention to social responsibility, improve the social reputation of enterprises, and practice the new development concept is an inevitable requirement to realize the dream of a strong tourism country. However, as the market scale of China's tourism industry continues to expand, many real-life problems are exposed, such as employee rights issues, environmental issues, tourist interests, etc. Government departments and the public blame these problems on tourism enterprises, believing that tourism enterprises should assume more social responsibility. Nonetheless, most tourism enterprises believe that taking social responsibility must be at the expense of their own interests and completely oppose corporate profits to social responsibility. Therefore, the status quo has prompted government departments, tourism enterprises, and scholars from all walks of life to ponder: Is there a trade-off between social responsibility and corporate value for tourism enterprises?

1. Research related to tourism enterprise value and its effect

1.1 The connotation of tourism enterprise value

The concept of enterprise value was first born in the United States in the 1960s as a derivative of the property rights market. Enterprise value refers to the value of the enterprise itself, which is the market valuation of the tangible and intangible assets of the enterprise. According to Cheng Weijin et al. (2021), enterprise value is the value that an enterprise already owns in its white body or can create in the future and is the sum of the value of its existing assets and the value of its future investments. Wang Qiong Ying et al. (2022) took tourism cluster enterprises as the research object and showed that identity perception has a significant impact on both participation behavior and contribution behavior of value co-creation, and collective identity and cluster reputation have a significant impact on the contribution behavior of enterprise value co-creation.

1.1.1 Internal value of tourism enterprises

Financiers have extended the definition of enterprise value to the field of management, arguing that enterprise value can be defined as the enterprise following the law of value. Many scholars have conducted relevant research in this regard. Changqing et al.

(2020), for a comprehensive identification of existing studies, proposed that the enterprise value proposition is a value promise that describes the products or services provided by the enterprise. From the perspective of internal and external stakeholders, Lu Hui et al. (2020) argue that a firm's maintenance of the interests of internal stakeholders, such as corporate headquarters, management, shareholders, and non-management employees, has a relationship with the creation of internal value.

1.1.2 External value of tourism enterprises

The enterprise value not only stays in the estimation of investment bankers, but also has a market position, and for managers, whether they create value for the enterprise value can also be tested in the market. Mao Qian et al. (2021) argues that only by determining a good corporate value proposition can the subsequent value chain activities be launched to better serve tourists while ensuring the high-quality development of China's tourism industry. Lu Hui et al. (2020) analyzed the value brought by the environmental behavior of enterprises from the perspective of internal and external stakeholders, and defined meeting the interest needs of internal stakeholders as realizing the internal value of enterprises, and meeting the interest needs of external stakeholders as realizing the external value of enterprises.

1.2 Value effect of tourism enterprises

According to Bing Hu et al. (2020), the social value effect of tourism enterprises is mainly reflected in economic value and non-economic value. However, more studies have focused on the economic value, scholars believe that the fulfillment of social responsibility by tourism enterprises will create certain economic value, for example, Li Ling (2020) found that the fulfillment of social responsibility by tourism enterprises can effectively reduce systemic risk, and the higher the degree of fulfillment of social responsibility by enterprises, the more obvious the reduction of systemic risk for enterprises, and the positive relationship between social responsibility and financial performance, proactive fulfillment of social responsibility is conducive to the improvement of enterprise performance and ultimately can bring value to the enterprise.

1.2.1 Market value effect

There are two main determinants of enterprise market value, one is the current enterprise profitability, potential profitability, which will greatly affect the market's assessment judgment of the enterprise. According to Feng Zichen (2021), according to the efficient market theory, the core judgment element of the market value of an enterprise is the financial performance of that enterprise. The operational market generally evaluates a firm based on its profitability, growth and solvency, and operating capacity, etc. If a firm's financial indicators are indicative of the firm's strong four capabilities, it will be considered worthy of investment, thus increasing the firm's market value. Wang et al. (2022) conducted an empirical study based on panel data of Chinese listed companies from 2010-2019 and found that corporate R&D investment helps to increase its market value, while ESG performance partially mediates the effect of corporate R&D investment on its market value.

1.2.2 Management value effect

Cheng et al. (2013) said that enterprise management value is to consider the enterprise as an organic living body, which requires the enterprise to confirm the rationality of management value in the organization or the configuration of people, property, and materials to meet the reasonable needs of people and society. Enterprise pursuit of value realization has become the focus of many tourism enterprises, enterprise management value is to achieve human needs and human pursuit of value, people through enterprise management activities to make this need and pursuit to be satisfied, thus forming a utility relationship. This will in turn improve the company's business performance, create a good reputation for the company, and increase the value of the company.

2. Tourism corporate social responsibility related research

The concept of corporate social responsibility was first proposed by British scholar Oliver Sheldon in 1924, who first linked business with social responsibility and emphasized that business should meet people's needs at different levels. Later, Carroll (1999)

proposed a "pyramid" model for the structural dimensions of CSR, including economic, legal, ethical, and philanthropic responsibilities, and emphasized the importance of corporate social responsibility in these four dimensions. After more than half a century of exploration, the study of CSR has gradually shifted from theoretical inquiry to practice and has flourished in countries around the world.

2.1 The connotation of tourism corporate social responsibility

2.1.1 Classification of tourism CSR

Hu Bing et al. (2018) applied the rooting theory and summarized and extracted that tourism corporate social responsibility includes eight core categories of economic responsibility, legal responsibility, environmental responsibility, community responsibility, employee responsibility, customer responsibility, political responsibility, and partner responsibility. Wang Juan et al. (2022) subdivided the social responsibility of tourism enterprises into responsibilities to shareholders, creditors, suppliers, employees, consumers, government, the public and the environment according to the types of stakeholders and combined with the division of corporate social responsibility in the "triple bottom line" model to clarify the specific responsibilities of tourism enterprises to each responsibility object.

2.1.2 Internal social responsibility of tourism enterprises

Shareholder responsibility. Wang, Kai et al. (2022) showed that the fulfillment of responsibility to shareholders can deal with the principal-agent relationship, avoid short-sightedness and opportunistic behavior, and reduce business risks; the fulfillment of responsibility to partners can help reduce the transaction contract costs of both parties, relieve the pressure of capital turnover, and access to industry development dynamics.

Employee responsibility. Based on stakeholder theory, Fu, Wuping (2021) argues that tourism enterprises protect the basic rights and interests of employees, provide employees with a good working environment, and provide employees with relevant social responsibility training are the reinforcement paths for stakeholders to fulfill their social responsibilities.

Creditor responsibility. According to Li Jun (2022), the fulfillment of shareholder responsibility and creditor responsibility by enterprises not only attracts more investors, but also helps to improve corporate credit and effectively alleviate financing constraints to obtain the financial support needed for innovation.

2.1.3 External social responsibility of tourism enterprises

Tourist responsibility. Cheng Weijin et al. (2021) indicated that responsible tourism enterprises are more likely to win the trust of tourists and to enhance tourist satisfaction, thus continuously strengthening tourist loyalty and increasing purchase intentions. In addition, tourist destinations that actively fulfill their social responsibility are more likely to induce environmentally responsible behavior among tourists.

Community responsibility. 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, and helps to improve residents' community attachment and support for tourism development. Tourism development changes the original production, living and residential environment of the residents of the destination community, which in turn affects the residents' sense of attachment to the community in which they live.

Environmental responsibility. According to Fu, Wuping (2021), tourism enterprises need to fulfill more responsibilities such as protecting the environment, passing on culture, and supporting community development. 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 responsibility. Wang, K. et al. (2022) study indicated that enterprises operating legally, paying taxes according to the law, and actively responding to government green development initiatives can obtain scarce resources such as government R&D

subsidies, land approval and institutional support, and improve their business performance.

3. Research on the role of brand image influence in tourism enterprises

The shaping of brand image requires long-term persistent efforts by enterprises, and the ability to create a brand image that attracts potential customers is the key to winning. Among the studies on the relationship between CSR and corporate performance, some of them believe that undertaking social responsibility may cause the company's cost to rise and affect the company's long-term profit, but more studies believe that the fulfillment of social responsibility is conducive to establishing the company's brand image, gaining the favor of consumers, and thus improving the company's performance. Wang, K. et al. (2022) study stated that companies' fulfillment of social responsibility can form a good image and reputation and improve market confidence and business revenue. Li Jun (2022) argues that corporate social responsibility helps to enhance relationships with stakeholders and improve trust in the overall social network, which reduces transaction risk and ultimately leads to improved business performance.

4. Research on the role of strategic synergy influence in tourism companies

The concept of strategic synergy was first introduced by H. Igor Ansoff in 1965 in his book "Corporate Strategy", where he outlined strategic synergy as one of the four elements of corporate strategy. The most important element in a modern enterprise is resources, and strategic synergy serves as a "link" that connects the resources of an enterprise so that the enterprise can take full advantage of its overall strengths. In the study of the relationship between strategic synergy and corporate value, most scholars have used strategic synergy as a moderating variable to investigate the moderating effect of strategic synergy on the relationship between corporate growth and corporate performance, and the result is that strategic synergy has a positive moderating effect on corporate growth and corporate performance.

5. Research review

Under the traditional profit-oriented motive, tourism enterprises lack the correct understanding and expression of social responsibility, and their passive social responsibility performance leads to the negative value effect of social responsibility. Although scholars have systematically analyzed tourism CSR and explored the impact of tourism CSR on corporate value, their research has not provided a comprehensive account of the mediating effect and moderating role of tourism CSR in creating value. The relationship between CSR and corporate value has always been a research topic for scholars, but so far, few scholars have examined the value creation effect of tourism CSR comprehensively from different theories, different mechanisms and different levels based on an integrated analysis perspective. Therefore, based on the previous studies, this paper integrates the relevant studies on tourism CSR to explore how to create social value while creating corporate value from the theoretical level, and the study helps to test the value effect of fulfilling social responsibility of listed tourism enterprises in China from the practical level. The analysis is conducted for the direct effect of tourism CSR on corporate value, and the indirect effect under the influence of mediating effect and moderating effect.

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.

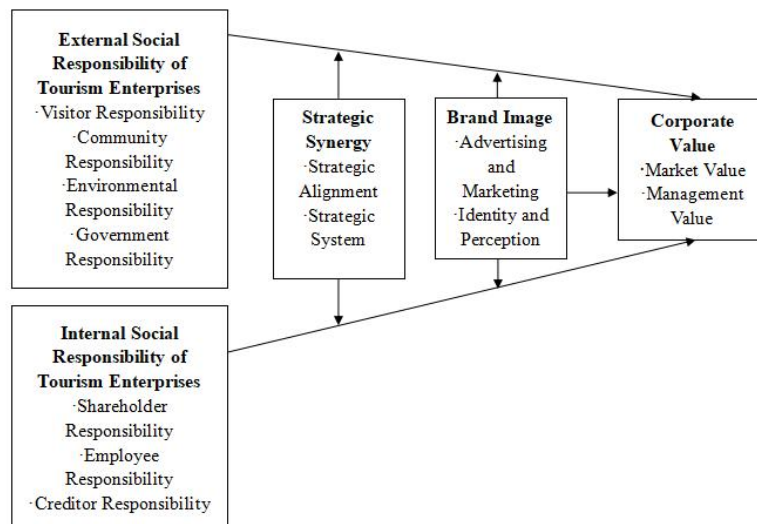


Figure 1 Theoretical model of social responsibility value effect of tourism enterprises

5.1 The direct impact of tourism CSR on enterprise value

Because tourism CSR is a structural system covering multiple dimensions, according to the above-mentioned literature on tourism CSR, the tourism CSR discussed in this paper consists of several aspects: shareholders' responsibility, creditors' responsibility, employees' responsibility, tourists' responsibility, government responsibility, community responsibility and environmental responsibility. Most scholars believe that the fulfillment of social responsibility by tourism enterprises can help increase corporate value and have a positive effect on corporate performance as well as internal management. Many scholars have also studied the relationship between social responsibility and corporate performance of tourism enterprises based on stakeholder theory, using methods such as correlation analysis and structural equation modeling.

5.2 Analysis of the intermediary effect of tourism enterprise brand image

With the in-depth 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. For how to enhance the brand image, it can be done through relevant advertising and marketing strategies to enhance the brand value or enhance the social recognition and perception of tourism enterprises' fulfillment of social responsibility, to shape the brand image and then create corporate value.

5.3 Analysis of the moderating effect of the strategic role of tourism enterprises

The fulfillment of social responsibility by tourism enterprises can produce positive results, but some studies have found a negative relationship between CSR and the value created. This complex relationship depends mainly on the influence of certain conditional factors and thus needs to be moderated in it. A few scholars argue that there is a moderating role of strategic synergy before the fulfillment of social responsibility and corporate value in tourism companies, 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. Strategic alignment has a positive moderating role in the relationship between innovation synergy and corporate performance, and the higher the strategic alignment, the more significant is the boosting effect of innovation synergy on short- and long-term performance.

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