



*Citation for published version:*

Chen, Z & Hang, H 2021, 'Corporate social responsibility in times of need: Community support during the COVID-19 pandemics', *Tourism Management*, vol. 87, 104364. <https://doi.org/10.1016/j.tourman.2021.104364>

*DOI:*

[10.1016/j.tourman.2021.104364](https://doi.org/10.1016/j.tourman.2021.104364)

*Publication date:*

2021

*Document Version*

Peer reviewed version

[Link to publication](#)

*Publisher Rights*

CC BY-NC-ND

**University of Bath**

**Alternative formats**

If you require this document in an alternative format, please contact:  
[openaccess@bath.ac.uk](mailto:openaccess@bath.ac.uk)

**General rights**

Copyright and moral rights for the publications made accessible in the public portal are retained by the authors and/or other copyright owners and it is a condition of accessing publications that users recognise and abide by the legal requirements associated with these rights.

**Take down policy**

If you believe that this document breaches copyright please contact us providing details, and we will remove access to the work immediately and investigate your claim.

# **Corporate Social Responsibility in Times of Need: Community Support during the COVID-19 Pandemic**

## **ABSTRACT**

Since the outbreak of COVID-19, the hotel sector has engaged in various corporate social responsibility (CSR) initiatives to show solidarity with local communities. Our research examines the impact of such initiatives on tourists' intentions to spread positive word-of-mouth (WOM) and their intentions to visit when the current pandemic ends. Our experimental results suggest community support in the form of providing free accommodation to homeless people increases tourists' intentions to spread positive WOM, bringing reputational benefits. But such initiatives reduce tourists' intentions to visit, presenting potential business risks. Our results further suggest that community support in the form of providing free accommodation to medical professionals has little impact, as it shows no significant difference to control (no CSR initiatives).

**Keywords:** corporate social responsibility (CSR); crisis management; experimental studies; COVID-19

## 1. INTRODUCTION

The current coronavirus pandemic has had a significant impact on tourism, with the United Nations World Tourism Organization (UNWTO) estimating a contraction of the tourism sector by 20–30% in 2020 (Coke-Hamilton, 2020). Despite the associated financial difficulties, since the outbreak of COVID-19 the hotel sector has engaged in various corporate social responsibility (CSR) initiatives, namely, “actions that appear to further some social good, beyond the interests of the firms and that which is required by law” (McWilliams & Siegal, 2001 p. 117). Rhou and Singal (2020) suggest one key CSR initiative in the hotel sector is community support during crisis where hotels make voluntarily contributions to help local communities withstand and recover from crisis. One example of such community support is in-kind contributions such as providing free accommodations to local residents during the current COVID-19 pandemic. What are the implications of such initiative? The key purpose of our research is to examine the impact of a hotel’s community support *during* COVID-19 on tourists’ intentions to spread positive word-of-mouth (WOM) and their intentions to visit when the pandemic ends. This can address three key limitations in extant tourism research: first, in terms of crisis management, while the importance of the tourism sector’s support of local communities *during* a global crisis is widely acknowledged (Faulkner, 2001; Hall, Prayag, & Amore, 2018; Ritchie, 2004), extant literature has provided little insights into this issue. Second, in a recent review, Font and Lynes (2018) point out that the extant literature on CSR in tourism mainly focuses on CSR initiatives directed towards employees, shareholders and consumers, with local communities receiving little attention. Third, previous research on the business case for CSR in tourism provides inconclusive and even contradictory results (Rhou & Singal, 2020). This is perhaps because the impact of CSR initiatives may depend on their targets. For example, during the current COVID-19 pandemic some hotels have provided free accommodation to medical professionals, while others have offered rooms to homeless people free of charge (Hilton, 2020; Jan & Johnson, 2020). These may lead to different impacts but, to our best knowledge, no research has compared the impacts of such CSR initiatives when directed towards different targets.

## 2. BRIEF LITERATURE REVIEW

Local communities are crucial to the success of the hotel business, partly because tourists’ memorable experiences are significantly influenced by destination attributes such as the friendliness of the local people (Kim, 2014). As a result, in crisis management literature, both Faulkner (2001) and Ritchie (2004) emphasize the importance of supporting local communities during global crisis such as the current coronavirus pandemic. This is echoed by Hall and colleagues (2018) who suggest the tourism sector needs to play an important role in community resilience. However, recent reviews suggest crisis and disaster management research in tourism mainly focuses on recovery *after* crisis, using recovery marketing, public relations with government, and media to attract tourists (Aliperti et al., 2019; Ritchie & Jiang,

2019). It provides little insight about how tourism (and the hotel sector in particular) can support local communities *during* global crisis.

The lack of attention to community support is also evident in the extant CSR literature in tourism (Font & Lynes, 2018; Rhou & Singal, 2020). For example, Rhou and Singal (2020) find CSR directed towards local communities, such as disaster relief, has been ignored in the current hospitality literature. This is surprising given hotels do use various CSR initiatives to support local communities during crisis time (Henderson, 2007; Nair & Dileep, 2020). In order to demonstrate the impact of community support during COVID-19, our research examines tourists' intentions to spread positive WOM and their intentions to visit when the pandemic ends.

We focus on WOM because Serra-Cantallops et al. (2018) suggest that how CSR might generate positive WOM is an important gap in extant literature on CSR in the hotel sector. Using the stereotype content model (SCM) (Cuddy, Fiske, & Glick, 2008), Gao and Mattila (2014) demonstrate that a hotel's CSR initiatives can lead to perceptions of warmth (trustworthiness and sincerity) because they reflect a hotel's altruistic orientation towards social welfare (Carroll, 1991). We further argue that providing free accommodation to homeless people leads to higher perceptions of warmth than providing it to medical professionals. This is because during the current COVID-19 pandemic, expressing gratitude towards medical professionals has become a social norm in many countries (BBC, 2020) and providing free accommodation to homeless people is, therefore, more likely to reflect a hotel's genuine regard for social welfare because it goes *beyond* the current social norm. This, in turn, increases the likelihood that tourists will spread positive WOM (Gao & Mattila, 2014). Gao and Mattila (2014) further suggest that perceptions of hotel warmth mediate consumers' behavioural intentions towards the evaluated hotels. Thus, our hypotheses:

**H1:** CSR initiatives toward homeless people lead to *higher* intentions to spread positive WOM than CSR initiatives toward medical professionals or the control (no CSR initiatives).

**H2:** Perceptions of hotel warmth mediate the impact of CSR initiatives on tourists' intentions to spread positive WOM.

We focus on intention to visit as a proxy of behaviour because many hotels are temporarily closed due to lockdown. Thus, tourists' actual behaviour is difficult to collect. Randle, Kemperman and Dolnicar (2019) suggest that CSR initiatives affect tourists' choices minimally. This is supported by D'Acunto et al. (2020), whose research reports that CSR information is rarely discussed in tourists' online reviews, suggesting that CSR initiatives are not an important factor in their decision-making. Thus, following these studies, we argue that tourists' intentions to visit are less likely to be influenced by a hotel's CSR initiatives during the coronavirus pandemic than by their perceptions of hotel cleanliness due to the health risks associated with COVID-19. Supporting this, Amblee (2015) suggests cleanliness is the key factor for tourists to decide whether to visit hotels. Wang et al. (2019) find self-protection against health risks is a key factor influencing tourists' choices of hotels. Indeed, extant literature has repeatedly demonstrated tourists consider health risks when they make their travel decisions (Chien et al., 2017) and choose holiday destinations (Karl, 2018). However, to our best knowledge, there is no research on tourists' risk perceptions towards existing clients of hotels. Thus, our argument is built on the SCM (Cuddy et al., 2008) that explains how different people in the society are stereotyped. According to the SCM, homeless people

are negatively stereotyped, particularly in their cleanliness (Cuddy et al., 2008). Thus, we argue that providing free accommodation to homeless people reduces tourists' perceptions of hotel cleanliness, which, in turn, reduces their intentions to visit when the pandemic ends. Thus, we further hypothesize:

**H3:** CSR initiatives toward homeless people lead to *lower* intentions to visit than CSR initiatives toward medical professionals or the control (no CSR initiatives).

**H4:** Perceptions of hotel cleanliness mediate the impact of CSR initiatives on tourists' intentions to visit.

### 3. METHOD

The meta-analysis of Orlitzky, Schmidt and Rynes (2003) suggests the average effect size of the business case for CSR is 0.18. Viglia and Dolnicar (2020) recommend a value of 0.80 as a typical power selection for experimental study in tourism. Thus, using G\*Power statistical software (Faul, Erdfelder, Lang & Buchner, 2007) with an effect size of 0.18, a significance level (two-tailed) of 0.05 and a power of 0.80, the sample size required for an ANOVA with three groups was calculated to be 301. Using Amazon Mechanical Turk (MTurk), we recruited 450 US participants whose travel plans had been disrupted by the coronavirus pandemic. We focused on this sample group because it is the main target of hotels' current crisis communication (e.g. cancellation policy and commitment to cleanliness). However, 40 participants failed our attention-check question (hotel name), leaving an effective sample size of 410 (186 females, 224 males, mean age = 41.12, SD age = 11.33).

The experiment was a one-factor (CSR community support: medical professionals vs homeless people vs control) between-subject design. We first collected details of participants' intended travels (purpose and destination), their perceptions of the severity of the current COVID-19 pandemic, and their perceived susceptibility to it. Then participants were randomly allocated to one of the three experimental scenarios. To control for participants' pre-existing attitudes toward existing hotels, all participants were exposed to the same experimental stimuli: a fictitious middle-market international hotel chain. In the control scenario, participants were informed about the focal hotel's commitment to cleanliness and its cancellation policy as its responses to COVID-19. Participants in the other two scenarios were exposed to information about the hotel's community support that was consistent with their particular scenario *as well as* the same information (commitment to cleanliness and cancellation policy) provided to the control group. For example, participants in the scenario of community support for medical professionals were told that the focal hotel was "working with American Express to donate up to 100,000 rooms to medical professionals in the US". Participants in the scenario of community support for homeless people were told that the focal hotel was "working with American Express to donate up to 100,000 rooms to homeless people in the US". The rest of the material provided was identical across all three scenarios. Participants then answered an attention-check question, and those in the two community support scenarios also answered a CSR manipulation-check question (To whom has the hotel provided free accommodation?). We then gathered all participants' perceptions of hotel warmth (generous, kind and warm: Cronbach's  $\alpha = .96$ ) and competence (competent,

effective and efficient: Cronbach's  $\alpha = .96$ ) using an 11-point three-item scale adapted from Aaker, Vohs and Mogilner (2010). Participants' intentions to spread positive WOM were measured using a three-item (also 11-point) scale adapted from Gao and Mattila (2014) (Cronbach's  $\alpha = .95$ ). Sample items in the scale were "I would recommend this hotel to my friends" and "I would say positive things about this hotel" (1= Not at all; 11= Very much). Participants' perceptions of hotel cleanliness and their intentions to visit were gathered via a single-item 11-point multi-category ordinal answer format. Their demographic information was also collected.

#### 4. RESULTS

Descriptive statistics and correlations are reported in Table 1. Participants' perceptions of COVID-19 severity, their COVID-19 susceptibility, and hotel competence did not differ between scenarios (all  $p$ -values  $> .05$ ), and thus were excluded from further analysis.

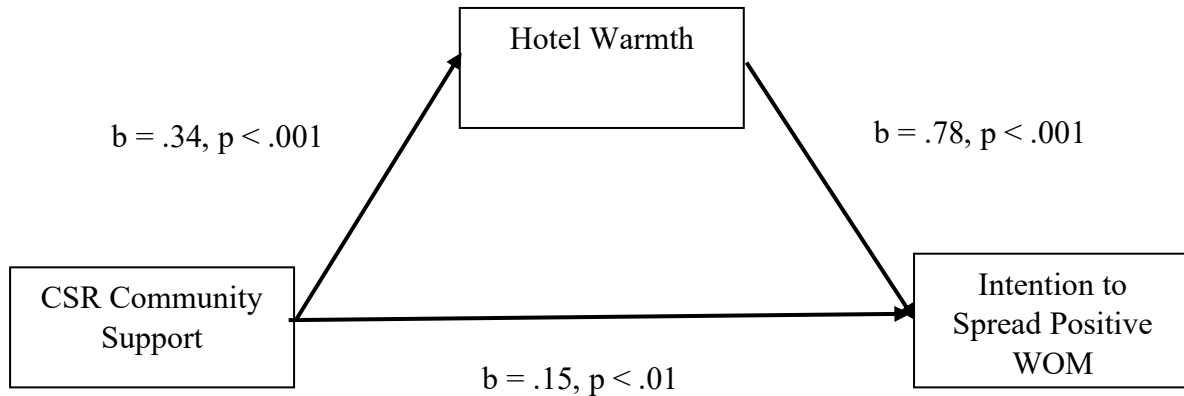
	Correlations								
	M	SD	1	2	3	4	5	6	7
1 Severity	8.89	2.14		0.44 ***	0.20 ***	0.2 ***	0.21 ***	0.1 *	0.19 ***
2 Susceptibility	6.25	2.92	0.44 ***		0.14 ***	0.1 **	0.16 ***	0.1 *	0.06
3 Warmth	8.04	2.22	0.20 ***	0.14 ***		0.6 ***	0.71 ***	0.3 ***	0.06
4 Competence	8.51	1.74	0.19 ***	0.13 **	0.56 ***		0.55 ***	0.4 ***	0.14 ***
5 WOM	8.16	2.25	0.21 ***	0.16 ***	0.71 ***	0.6 ***		0.4 ***	0.07
6 Cleanliness	8.55	1.83	0.08 *	0.08 *	0.30 ***	0.4 ***	0.37 ***		0.3 ***
7 Intention to visi	8.73	2.31	0.19 ***	0.06	0.06	0.1 ***	0.07	0.3 ***	

**Table 1.** Descriptive statistics and correlations.

Notes: \*  $p < .05$  (one-tailed); \*\*  $p < .01$  (one-tailed); \*\*\*  $p < .001$  (one-tailed).

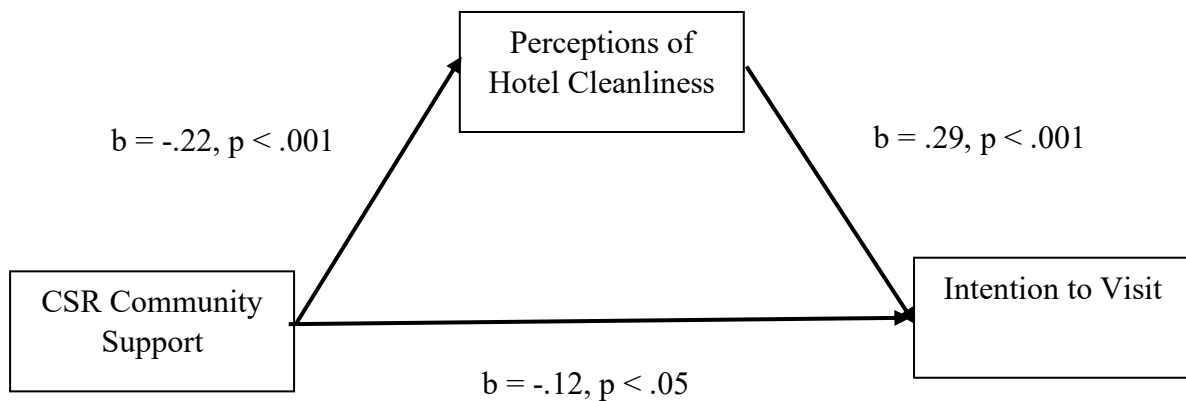
Because the assumption of homogeneity of variance was violated for WOM, we used a univariate ANOVA with Games-Howell post hoc analysis to test H1. In the analysis, the experimental scenario was made the independent variable, and intention to spread positive WOM the dependent variable. We found that providing free accommodation to homeless people ( $M = 9.01$ ,  $SD = 2.18$ ) led to higher intentions to spread positive WOM than providing free accommodation to medical professionals ( $M = 8.39$ ,  $SD = 2.11$ ) or the control ( $M = 8.22$ ,  $SD = 1.93$ ;  $F(2, 409) = 5.86$ ,  $p < .01$ ), supporting H1. To test H2, we used a bootstrapping-based method (with 5,000 resamples) and PROCESS macro (Model 4) with the experimental scenario as the independent variable, hotel warmth as the mediator, and intention to spread positive WOM as the dependent variable. We found hotel warmth had a significant indirect effect on the impact of the experimental scenario on intention to spread positive WOM (coefficient = .2628,  $SE = .0390$ , 95% CI = .1992, .3301). In addition, the direct effect of the experimental scenario was still significant (coefficient = .15,  $p < .01$ ). Thus, hotel warmth

partly mediated the impact of the experimental scenario on intention to spread positive WOM, supporting H2 (see Figure 1).



**Figure 1.** The mediating role of hotel warmth on positive word-of-mouth.

Because the assumption of homogeneity of variance was also violated for intention to visit, to test H3 we again used a univariate ANOVA with Games-Howell post hoc analysis. In the analysis, the experimental scenario was made the independent variable, and intention to visit the dependent variable. We found that providing free accommodation to homeless people ( $M = 8.09$ ,  $SD = 2.89$ ) led to lower intention to visit than providing free accommodation to medical professionals ( $M = 9.33$ ,  $SD = 1.45$ ) or the control ( $M = 9.08$ ,  $SD = 1.68$ ;  $F(2, 409) = 14.11$ ,  $p < .001$ ), supporting H3. Finally, a bootstrapping-based method (with 5,000 resamples) and PROCESS macro (Model 4) with experimental scenario as the independent variable, perceptions of hotel cleanliness as the mediator, and intention to visit as dependent variable suggested that perceptions of hotel cleanliness had a significant indirect effect on the impact of the experimental scenario on intention to visit (coefficient =  $-.0642$ ,  $SE = .0183$ ,  $95\% CI = -.1023, -.0308$ ). In addition, the direct effect of the experimental scenario was still significant (coefficient =  $-.12$ ,  $p < .05$ ). Thus, perceptions of hotel cleanliness partly mediated the impact of the experimental scenario on intention to visit, supporting H4 (see Figure 2).



**Figure 2.** The mediating role of hotel cleanliness on intention to visit.

## 5. CONCLUSIONS

Our experimental results suggest that community support in the form of providing free accommodation to homeless people increases tourists' intentions to spread positive WOM, bringing reputational benefits. But such CSR initiatives reduce tourists' intentions to visit when the pandemic ends, presenting potential business risks. Our results further suggest that community support in the form of providing free accommodation to medical professionals has little impact, because it shows no significant difference to our control scenario (no CSR initiatives). These results can extend previous literature on several fronts: first, our research offers unique insights about crisis management *during* a global crisis. This can extend the extant crisis management literature, which mainly focuses on recovery *after* a crisis. Second, our research extends CSR research in tourism by examining the impact of CSR initiatives aimed at local communities, an area that has received little attention (Font & Lynes, 2018). Third, our research suggests that the impact of CSR initiatives may depend on their targets (e.g. homeless people vs medical professionals). This can provide a novel explanation for the inconclusive results surrounding the business case for CSR in tourism (Rhou & Singal, 2020).

In practical terms, our research suggests providing free accommodation to homeless people is the better approach for the hotel sector to reaping reputational benefit (e.g. positive WOM) from its CSR engagement. In the long run, positive WOM is important because it can attract both prospective employees and new customers (Rhou & Singal, 2020). However, providing free accommodation to homeless people also reduces tourists' intentions to visit when the COVID-19 pandemic comes to an end. This is perhaps due to the health risks associated with coronavirus. Therefore, hotel managers need to emphasize their commitment to cleanliness (e.g. adopting social distancing measures and hand sanitiser). This can reduce future tourists' anxiety by increasing their perceived control (Chien et al., 2017) and response efficacy



(Wang et al., 2019). In addition, hotel managers can use technology innovation to reduce the expected interaction and increase perceptions of cleanliness (Shin & Kang, 2020). Alternatively, hotel managers can explain that the main reason they provide free accommodations to local communities is that they share the same fear and anxiety towards coronavirus. This can building emotional attachment with tourists (Hang et al., 2020) and encourage them to visit after the pandemics (Matiza, 2020).

Our results should be considered in light of the following limitations: first, due to lockdown and travel ban during the current COVID-19 pandemic, our research only measures tourists' behavioural intentions. Thus, future research could test the validity of our framework by measuring tourists' actual behaviours when the pandemic ends. Second, we encourage future research to test the robustness of our results by examining other types of community support (e.g. monetary donation) in other types of crisis (e.g. a hurricane)<sup>1</sup>. Third, another limitation is the instrument validity of our measurement scales, as it is difficult to know whether all respondents have the same (and intended) understanding of our measurement items (e.g. warmth). Future studies could consider using other methods to gather tourists' responses towards hotel's CSR initiatives.

## 6. REFERENCES

- Aaker, J., Vohs, K. D., & Mogilner, C. (2010). Nonprofits are seen as warm and for-profits as competent: First stereotypes matter. *Journal of Consumer Research*, *37*, 224–237.
- Aliperti, G., Sandholz, S., Hagenlocher, M., Rizzi, F., Frey, M., & Garschagen, M. (2019). Tourism, crisis, disaster: An interdisciplinary approach. *Annals of Tourism Research*, *79*, 102808.
- Amblee, N. (2015). The impact of cleanliness on customer perceptions of security in hostels: A WOM-based approach. *International Journal of Hospitality Management*, *49*, 37-39.
- BBC. (2020, April 2). Clap for Carers: UK applauds NHS staff and key workers. Retrieved from <https://www.bbc.co.uk/news/av/uk-52143223/clap-for-carers-uk-applauds-nhs-staff-and-key-workers>" <https://www.bbc.co.uk/news/av/uk-52143223/clap-for-carers-uk-applauds-nhs-staff-and-key-workers> (accessed 20 April 2020).
- Carroll, A. B. (1991). The pyramid of corporate social responsibility: Toward the moral management of organizational stakeholders. *Business Horizons*, *34*, 39–48.
- Chien, P. M., Sharifpour, M., Ritchie, B. W., & Watson, B. (2017). Travelers' health risk perceptions and protective behavior: A psychological approach. *Journal of Travel Research*, *56*(6), 744-759.
- Coke-Hamilton, P. (2020, April 24). Impact of COVID-19 on tourism in small island developing states. Retrieved from United Nations Conference on Trade and Development

---

<sup>1</sup> We thank one reviewer for the suggestions.

website: <https://unctad.org/en/pages/newsdetails.aspx?OriginalVersionID=2341> (accessed 2 May 2020).

Cuddy, A. J. C., Fiske, S. T., & Glick, P. (2008). Warmth and competence as universal dimensions of social perception: The stereotype content model and the BIAS map. *Advances in Experimental Social Psychology*, 40, 61–150.

D'Acunto, D., Tuan, A., Dalli, D., Viglia, G., & Okumus, F. (2020). Do consumers care about CSR in their online reviews? An empirical analysis. *International Journal of Hospitality Management*, 85, 102342.

Faul, F., Erdfelder, E., Lang, A., & Buchner, A. (2007). G\*Power 3: A flexible statistical power analysis program for the social, behavioral, and biomedical sciences. *Behavior Research Methods*, 39, 175–191.

Faulkner, B. (2001). Towards a framework for tourism disaster management. *Tourism Management*, 22, 135–147.

Font, X., & Lynes, J. (2018). Corporate social responsibility in tourism and hospitality. *Journal of Sustainable Tourism*, 26, 1027–1042.

Gao, Y. L., & Mattila, A. S. (2014). Improving consumer satisfaction in green hotels: The roles of perceived warmth, perceived competence, and CSR motive. *International Journal of Hospitality Management*, 42, 20–31.

Hall, C., Prayag, G., & Amore, A. (2018). *Tourism and resilience: Individual, organisational and destination perspective*. Bristol, UK: Channel View Publications.

Hang, H., Aroean, L., & Chen, Z. (2020). Building emotional attachment during COVID-19. *Annals of Tourism Research*, 83, 103006.

Henderson, J. C. (2007). Corporate social responsibility and tourism: Hotel companies in Phuket, Thailand, after the Indian ocean tsunami. *Hospitality Management*, 26, 228-239.

Hilton. (2020, April 6). Hilton and American Express to donate up to 1 million rooms to frontline medical professionals during COVID-19 crisis. Retrieved from <https://newsroom.hilton.com/corporate/news/hilton-american-express-team-up-to-donate-rooms> (accessed 12 April 2020).

Jan, T., & Johnson, J. (2020, April 14). Hotels sit vacant during the pandemic. But some locals don't want homeless people moving in. *The Washington Post*. Retrieved from <https://www.washingtonpost.com/business/2020/04/14/homeless-hotels-coronavirus/> (accessed 30 April 2020).

Karl, M. (2018). Risk and uncertainty in travel decision-making: Tourist and destination perspective. *Journal of Travel Research*, 57(1), 129-146.

Kim, J. (2014). The antecedents of memorable tourism experiences: The development of a scale to measure the destination attributes associated with memorable experiences. *Tourism Management*, 44, 34–45.

McWilliams, A., & Siegel, D. (2001). Corporate social responsibility: A theory of the firm perspective. *Academy of Management Review*, 26, 117-127.

- Nair, B.B., & Dileep, M. R. (2020). A study on the role of tourism in destination's disaster and resilience management. *Journal of Environmental Management and Tourism*, 11 (6), 1496-1507.
- Orlitzky, M., Schmidt, F. L., & Rynes, S. L. (2003). Corporate social and financial performance: A meta-analysis. *Organization Studies*, 24, 403–441.
- Randle, M., Kemperman, A., & Dolnicar, S. (2019). Making cause-related corporate social responsibility (CSR) count in holiday accommodation choice. *Tourism Management*, 75, 66–77.
- Rhou, Y., & Singal, M. (2020). A review of the business case for CSR in the hospitality industry. *International Journal of Hospitality Management*, 84, 102330.
- Ritchie, B. W. (2004). Chaos, crises and disasters: A strategic approach to crisis management in the tourism industry. *Tourism Management*, 25, 669–683.
- Ritchie, B. W., & Jiang, Y. (2019). A review of research on tourism risk, crisis and disaster management: Launching the Annals of Tourism Research curated collection on tourism risk, crisis and disaster management. *Annals of Tourism Research*, 79, 102812.
- Serra-Cantalops, A., Pena-Miranda, D.D., Ramon-Cardona, J., & Martorell-Cunill, O. (2018). Progress in research on CSR and the hotel industry (2006–2015). *Cornell Hospitality Quarterly*, 59, 15–38.
- Shin, H., & Kang, J. (2020). Reducing perceived health risk to attract local customers in the COVID-19 pandemic era: Focused on technology innovation for social distancing and cleanliness. *International Journal of Hospitality Management*, 91, 102664.
- Viglia, G., & Dolnicar, S. (2020). A review of experiments in tourism and hospitality. *Annals of Tourism Research*, 80, 102858.
- Wang, J., Liu-Lastres, B., Ritchie, B. W., & Mills, D. J. (2019). Travellers' self-protections against health risks: An application of the full protection motivation theory. *Annals of Tourism Research*, 78, 102743.