Chapter 16

Encouraging Corporate Social Responsibility and Sustainable Tourism Development in Global Tourism

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ABSTRACT

This chapter aims to encourage corporate social responsibility (CSR) and sustainable tourism development in global tourism, thus describing the theoretical and practical concept of CSR; CSR and corporate financial performance (CFP); the overview of sustainable tourism development; the significance of CSR in global tourism; the significance of sustainable tourism development in global tourism; sustainable tourism development and stakeholders; and sustainable tourism development and environmental situations. The accomplishment of CSR and sustainable tourism development is vital for tourism businesses that seek to serve suppliers and customers, increase business performance, strengthen competitiveness, and attain regular success in global tourism. Thus, it is necessary for tourism businesses to encourage their CSR and sustainable tourism development toward satisfying customers’ needs. The chapter argues that encouraging CSR and sustainable tourism development has the potential to enhance organizational performance and gain sustainable competitive advantage in global tourism.

INTRODUCTION

In tourism, corporate social responsibility (CSR) is receiving increased attention (Sandve, Marnburg, & Øgaard, 2014). CSR is viewed as the voluntary contribution by companies toward improving the environment, society, and economy (Tamajón & Aulet, 2013). CSR in tourism is considered as a form of sustainability (Holden, 2000). The significance of CSR for tourism-related industries has increased (Kang, Lee, & Huh, 2010). From a profit-seeking firm’s perspective, the implications and the benefits of investments in the socially responsible activities are the important issues to be recognized in financial performance (Inoue & Lee, 2011).

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CSR is an innovative way to create value for society and tourism organizations (Manente, Minghetti, & Mingotto, 2014; Starr, 2013) to reinforce ties with community (Kasim, 2006), to engage with social and environmental issues (Henderson, 2007), and to sustainably use resources which has been identified as a threat to the heritage tourism industry (Chhabra, 2009). Studies in tourism CSR, generally falling under the umbrella of sustainable tourism (Garrod & Fyall, 2000), have noted a complex and similar set of motivations and barriers as in generic CSR initiatives (Ayuso, 2006).

Sustainability in tourism is an emerging concept and no universal definition exists yet for sustainable tourism (Doiron & Weissenberger, 2014). Sustainable development is defined as sustaining the existence of all living creatures together in harmony and without any threat to each other (Ekinci, 2014). Sustainable development is a dynamic concept and process of which people’s understanding changes in tandem with societal development (Cottrell, Vaske, & Roemer, 2013). In response to the movement toward conservation in relation to social justice concerns, tourism researchers and practitioners have furnished a variety of propositions on the prevailing challenges to sustainable development and have paved a successful path for sustainability in tourism operations (Chen, 2015).

The strength of this chapter is on the thorough literature consolidation of CSR and sustainable tourism development. The extant literature of CSR and sustainable tourism development provides a contribution to practitioners and researchers by describing a comprehensive view of the functional applications of CSR and sustainable tourism development to appeal to the different segments of CSR and sustainable tourism development in order to maximize the business impact of CSR and sustainable tourism development in global tourism.

BACKGROUND

The origins of contemporary CSR are traced back to the work of industrial philanthropists in the nineteenth century (Blowfield & Murray, 2008). CSR refers to a company’s voluntary activities required by law (McWilliams & Siegel, 2001). CSR offers companies a method by which they can manage and influence the attitudes and perceptions of their stakeholders, thus enabling the benefits of positive relationships to deliver business advantages (Munasinghe & Kumara, 2013). Many researchers have explored the effect of CSR on firm performance in tourism-related industries (Kang et al., 2010; Lee & Park, 2009) and in general (Brammer & Millington, 2008; McWilliams & Siegel, 2000).

Sustainability is recognized as a tool for tackling the negative impacts of tourism and attaining its long-term viability (Liu, 2003). The principles of sustainability increasingly inform the public and private sectors of tourism industry in decision making and there is an extensive literature on the subject (Hunter, 1997). Sustainable development is one of the most common prescriptions for making a community more resilient (Edwards, 2009). Sustainable development incorporates a long-term perspective on resource exploitation (Amir, Ghapar, Jamal, & Ahmad, 2015).

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This section describes the theoretical and practical concept of CSR; CSR and CFP; the overview of sustainable tourism development; the significance of CSR in global tourism; the significance of sustainable tourism development in global tourism; sustainable tourism development and stakeholders; and sustainable tourism development and environmental situations.