Chapter 10

The Use of Digital Tools for the Disclosure of Sustainability Reports in the Tourism Sector

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ABSTRACT

Sustainability is a key topic in tourism because this activity uses territory and local resources intensively. Sustainability is considered as a triple bottom line with the three vertices: environmental, social, and economic. Tourism nowadays is an economic and social phenomenon. Even in a period of crisis, tourism has experienced continued growth and widening diversification to become one of the most important sectors in the worldwide economy. Tourism uses more and more digital tools to communicate with stakeholders. This chapter has a twofold purpose: 1) to analyze the disclosure of information provided to stakeholders using digital tools; 2) to compare the sustainability reports provided by a company with the corporate sustainability report guidelines. This chapter uses a qualitative methodology to study the case of the Pestana Group. The Pestana Group is currently the largest Portuguese hospitality group with operations and hotels all over the world, and this case may provide some clues about the use of digital tools to communicate sustainability results to stakeholders.

INTRODUCTION

The relevance of disclosure of economic, environmental and social information by companies has increased in the last few years. Through sustainability reporting, companies can express and communicate their strategy to stakeholders, especially in reference to their environmental, social and governance practices (Ioannou & Serafeim, 2014).

One of the issues in disseminating the sustainable development practices of organizations is the need to share concepts, metrics and a coherent language. According to the Global Reporting Initiative
Guidelines (2006), preparing sustainability reports is the practice of measuring, disclosing and reporting to internal and external stakeholders on organizational performance for sustainable development. The reports presented on the basis of these guidelines constitute a reference, demonstration and benchmarking standards across companies. In particular, sustainability reports fall into three key dimensions, which provide information about the management of each organization and its impacts: (i) Economic Performance: economic conditions of stakeholders at the local and global level, enhancing the flow of capital and the main economic impacts of the organization on society; (ii) Environmental Performance: the company’s impact on living and non-living natural systems (ecosystems, land, air and water), reporting the consumption of materials, energy and water and the production and emission of waste; (iii) Social Performance: impact of the organization on the social environment, referring to labour practices, human rights, society and product responsibility.

We conducted this case study in a company in the tourism industry due to its relevance and growth in the worldwide economy. Tourism has a true strategic importance for the Portuguese economy by virtue of its capacity to create wealth and employment. It is a sector in which we have clear competitive advantages, which happens with few others. In the tourism and hotel management sectors, social responsibility is strongly present, both through sustainable development and with stakeholders, such as the special sensitivity of these sectors in the context of globalization.

The case was developed around the Pestana Group, which is currently the Portuguese reference group in the tourism sector. This chapter aims to analyse the information and content available on their websites and the contents of the social responsibility report in order to understand the sustainability practices practiced by this hotel group.

Our results indicate that the Pestana Group’s corporate social responsibility report shows a clear predominance of the economic dimension, followed by social dimensions concerning labour conditions and human rights, with the environmental dimension in last place. The social dimension regarding society and product liability is less present in the corporate social responsibility report. Additionally, our results demonstrated that the level of importance given to the various stakeholders, especially in terms of employees, gender equality, suppliers and human rights is noteworthy. Finally, we demonstrated that the Pestana Group uses digital tools to communicate information, and focuses mainly on the more attractive actions for their stakeholders, particularly for marketing to capture and maintain customers.

This chapter is divided into the following sections. After a brief introduction, the second part develops the literature review on the concept and theoretical perspectives of social responsibility, as well as the notion of the Global Reporting Initiative for Corporate Social Responsibility (CSR) and digital tools in hotels. The third part develops the methodology adapted. The fourth part represents the case study, namely the Pestana Group’s background and their sustainability reporting. In the fifth part, the results of the study are presented for analysis of the CSR report according to the GRI index and disclosure of the CSR report on the website. The last part presents the final considerations of the study.

**LITERATURE REVIEW**

**Sustainability**

There is no common definition of CSR. Some academic experts on the subject have tried to explain the normative ethics behind the CSR rationale. For example, the European Commission (2011, 4) defines...