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Introduction

Corporate social responsibility reporting is recognized as an important component of the overall corporate sustainability strategy. Through disclosure of sustainability information, companies can demonstrate commitment to sustainable development and responsibility towards their stakeholders, enhance corporate reputation and legitimacy, motivate employees, and respond to regulatory and normative pressures (Castelló and Lozano, 2009; Bouten et al., 2011). As the public and consumers demonstrate growing concerns with negative social and environmental impacts of business operations, the demand for credible information on companies' CSR efforts and results also increases (Dando and Swift, 2003). The issue is especially relevant in the context of the hotel industry, given the sector's high energy and water intensity, significant waste generation and considerable social, economic and environmental impacts on host communities (Bohdanowicz, 2005; Bohdanowicz and Zientara, 2009). The COVID-19 pandemic, which had unprecedented devastating impact on tourism since early 2020, exposed structural weaknesses of the sector and further demonstrated the importance of sustainability management and reporting. While the post-pandemic recovery is viewed as an opportunity to build a more sustainable tourism (Higgins-Desbiolles, 2020; Lew et al., 2020), it also creates a risk that the industry may prioritize rapid recovery over sustainability (Hall et al., 2020). In this context, the corporate social responsibility efforts and performance in the hotel industry are of high interest to a range of stakeholders.

While previous research found that companies, especially multinational corporations, are increasingly reporting on their CSR efforts (Cooper and Owen, 2007), research on this topic in the hospitality industry is relatively scarce and not well-addressed (Koseoglu et al., 2021). A recent literature review on CSR in the hotel industry points to a diminished attention to CSR reporting and calls for further work in this area (Serra-Cantalops et al., 2018). Given that previous studies on CSR reporting in the hotel industry are mostly cross-sectional, the current understanding of reporting trends and factors influencing them is limited. Therefore, the objective of this study is to investigate CSR reporting trends in the hotel industry between 2010 and 2019 and explain them through the institutional and stakeholder theory lens.

Literature review

Over the past two decades, sustainability and corporate social responsibility have become increasingly popular topics in the hotel industry research (Kim et al., 2019), with number of articles on CSR in tourism or hospitality growing from 2 in 2007 to over 80 in 2016 (Font and Lynes, 2018). Several recent review papers provide comprehensive overview of CSR research in the tourism and hospitality in general (Font and Lynes, 2018; Guzzo et al., 2020) and hotel management literature specifically (Serra-Cantalops et al., 2018; Kim et al., 2019). While a notable number of papers investigate CSR practices implemented in the hospitality industry, their determinants, their benefits and their effect on performance, much less attention has been given to CSR reporting in the industry. Many of the existing studies on CSR reporting are limited to cross sectional analysis, small samples and specific geographical areas, such as Zimbabwe (Nyahunzyi, 2013) or Austria (Ettinger et al., 2018). Some of the studies focus on a specific aspect of sustainability reporting, such as environmental reporting (Holcomb et al., 2007), diversity reporting (Gajjar and Okumus, 2018), energy and carbon footprint reporting (Nelson, 2010; de Grosbois and Fennell, 2011), or materiality issues (Guix et al., 2018). The existing literature points to low levels of reporting (de Grosbois, 2012; Guix et al., 2018), a lack of consistency in methodologies, scope and boundaries (Holcomb et al., 2007), a gap between stated commitments, practices and performance, and lack of transparency (de Grosbois, 2012; Font et al., 2012). The CSR reporting practice in the industry has been explained using institutional, stakeholder, legitimacy or signaling theories (Koseoglu et al., 2021) and has been viewed as a strategic action to mitigate risk and present a company as acting according to ethical guidelines (Font et al., 2012). However, since previous studies provide snapshots of CSR reporting at specific points of time using different methodologies, there is limited understanding of how the industry is changing its reporting practices and what factors influence these trends.

Method

This research examined sustainability reporting in the hotel industry, by analyzing disclosure of performance measures and objectives by the largest global hotel companies between 2010 and 2019. The initial sampling frame included 25 largest global hotel companies as listed in the 2020 Hotels magazine ranking (Weinsten, 2020). For each company, sustainability-related reports for years 2010, 2013, 2016 and 2019 were obtained if available. If a parent company and its subsidiary both published regular sustainability-related reports, they were both included in the sample. The final sample consisted of 15 companies which issued reports for year 2019. The reports that were considered in the study included CSR/sustainability reports, annual reports if they contained a section on CSR, and integrated reports. It is important to note that not all sampled companies published full reports on an annual basis, but issued report updates in some years instead. The total number of reports included in the study was 49 (10 published in 2010, 12 in 2013, 12 in 2016 and 15 in 2019). In order to evaluate CSR reporting by the hotel companies and identify trends over time, this study used content analysis (Stemler, 2000). In accordance with previous research, an a priori coding scheme was developed, based on the CSR dimensions and quantitative performance measures identified in previous studies and included in global reporting frameworks. During the data collection process, additional quantitative performance measures and objectives reported by the companies were added to the framework. The final framework used to evaluate CSR reporting consisted of six dimensions corresponding to different stakeholder groups: employees, community, suppliers, customers, environment and business partners. Additionally, the reports were coded for a number of indicators related to the quality of reporting, stakeholder engagement and use of external standards. Data analysis involved qualitative and quantitative methods, including mean, percentages, and trend analysis.

Findings

Firstly, in agreement with the general CSR literature, the study confirms the trend towards greater disclosure of environmental and social objectives and performance by the global hotel companies. It also shows significant diversity of performance measures used by the sample companies, with different units frequently used even if the same measure was reported by different companies. For example, energy intensity was measured as total energy used per available room, per stay, per square meter, or per square foot, limiting comparability of performance data. Secondly, the study shows changing reporting priorities, with certain aspects, such as diversity and climate change, becoming more prominent. Next, the reports show a trend towards greater attention and focus on stakeholders' identification and engagement, demonstrating the relevance of stakeholder theory in explaining reporting practice. The study also provides evidence of institutional normative pressures within the sector, leading to greater standardization of reporting practices by the industry leaders through normative isomorphism, as suggested by previous literature (Fortanier et al., 2011). The companies in the sample increasingly adopted global reporting standards, practices and frameworks such as GRI, materiality analysis, or Sustainable Development Goals, introduced by the United Nations in 2015. Between 2010 and 2019 the percentage of hotels in the sample applying GRI guidelines or standards increased from 40% to 60%. The study also found increased quality of reporting, with the increase in 3-party verification from 30% of the sample in 2010 to 60% of the sample in 2019. These findings suggest that hotel companies are becoming more experienced in reporting and the industry is moving towards more transparent disclosures.

Conclusion

Based on the longitudinal study of sustainability-related reports issued by the leading hotel companies in the world, this study is the first to evaluate the trends in CSR disclosure practices in the hotel industry and explain them using stakeholder and institutional theories. However, the improvements in CSR reporting practice achieved by the industry leaders during the analyzed time period may be reflecting the growing strategic importance of reporting and legitimizing efforts, and not necessarily improved CSR performance and further studies to evaluate the actual CSR performance are needed.

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