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Trust as mediator of corporate social responsibility, image and loyalty in the hotel sector

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ABSTRACT

The hotel sector, one of the main pillars of the tourism industry, recognizes its social responsibility and considers it as part of its image. For this reason, firms require new variables and tools to respond to stakeholders’ needs. Trust is an essential variable in meeting these needs. However, managers are unaware that they can achieve much more through trust than through other variables. In this paper, with a sample of 629 guests in four international hotels, we use a model to show that the corporate social responsibility (CSR) association affects not only customers’ loyalty and the image they have of the hotel, but also their trust. Furthermore, this study confirms that the presence of trust as a mediator between CSR and image and loyalty leads to increased loyalty and positive image among guests. Our study shows that hotels should invest in socially responsible initiatives and develop actions to strengthen trust in order to improve their image and increase loyalty. We anticipate that our study will be a starting point for strengthening the literature on this issue, and call on researchers to extend enquiry in this field and provide hotels with guidelines for improvement in the above-mentioned variables using trust as a mediator.

KEYWORDS

Corporate social responsibility; corporate image; trust; loyalty; international tourists; hotel sector

Introduction

Interest in social, economic and environment issues is growing in today’s society, and is reflected in an increasing consumer preference for products or services that help particular social groups in need and aim to further the good of humanity (Bohdanowicz, Zientara, & Novotna, 2011; Giesler & Veresiu, 2014). This change in attitude has in turn led to an organizational dynamic, especially in the tourism sector, that encourages corporate social responsibility (CSR) as a key element of added value for the customer, society and the company. One way of adding value is through trust, a crucial factor in the services industry due to its important role in the management of such firms (Gummesson, 1994). Both theoretically and empirically, trust is a critical variable in the relationships between customers and firms (Levin, Niekerk, & Geldenhuys, 2012; Morgan & Hunt, 1994). Those who are not willing to trust a seller in a competitive market are unlikely to be loyal (Ball, Simões Coelho, & Machás, 2004; Van Esterik-Plasmeijer & Van Raaij, 2017), which implies that the firm’s image is therefore affected. It is, therefore, essential to improve corporate image or customer loyalty (Jarvis, Stoeckl, & Liu, 2016),
since a positive corporate image implies an advantage in the creation of value, which in turn provides channels the firm can exploit to differentiate. Firms should also disseminate the real benefits of their CSR activity through reports, for example, so that consumers have clear information with which to appraise the hotel firms’ actual commitment to society. On the other hand, CSR and customer loyalty are important issues in the literature, which shows that implementing appropriate CSR policies and disseminating efforts can be highly advantageous for companies. Firms with such CSR policies are more attractive to potential employees, enhance their employees’ motivation and retention, improve customers’ levels of satisfaction, and have more fruitful relationships with their primary stakeholders (Peloza & Shang, 2011).

The aim of our study is to contribute to the field of CSR research in the tourism sector, and specifically the hotel sector, by shedding new light on the relationship between CSR and trust, image and loyalty, and by analyzing the mediating role of trust. On a global scale, tourism is one of the largest economic activities in terms of revenues and creating employment (UNWTO, 2016). In the wake of the current economic crisis, it is one of the first sectors to show signs of recovery (Nene & Taivan, 2017). At the international level, in 2015, tourism generated world revenues of 1,245,000 million US dollars (937,000 million euros) (UNWTO, 2015). Research on CSR in the tourism and hotel sector, though still insufficient, has grown slightly over the last five years and is expected to increase exponentially in the coming five years (Sergo & Jasmina, 2017), given that the continuity of expansion in the hotel sector calls for new lines of development and the sector needs to reinvent itself in a new model based on economic, social and environmental innovation, productivity and sustainability (Mar-iño Romero, Hernández Mogollón, Campón Cerro, & Folgado Fernández, 2016). This view is supported by Farrington, Curran, Gori, O’Gorman, and Queenan (2017), who carried out a review of CSR in the hospitality industry, noting an increase in the number of publications from 2004 onwards. In general, from the articles we consulted for this paper in the Web of Science database with the keywords CSR and tourism sector, we are able to identify the following characteristics in research on CSR in the tourism sector: it is descriptive and transversal; it is developed at a national level, with most contributions coming from Spanish and Asian researchers; it requires considerable conceptual support; it focuses first and foremost on demonstrating that CSR positively influences economic, social and environmental results, on gathering information about hotel firms’ CSR commitments from their CSR reports and their websites, practices and activities; and on analyzing the reasons that facilitate and hinder CSR implementation.

According to Lee and Park (2009), the hotel industry may be more sensitive to CSR issues due to the “bidirectional” relation between the tourism product and its natural, social and cultural environment. Several issues of note support this claim, including the wide gap between the intention of consumers who are seen to be in favor of CSR and their actual purchasing behaviors (De la Cuesta, 2004); the lack of empirical work that, in the same study, relates CSR with the customers’ image of the hotel, their loyalty and trust; and stakeholders’ perceptions. We believe that these issues justify further research in this area, and are the motivation for our study. In this context, by selecting customers as our study population – specifically tourists staying in hotels – our main aim is to explore how trust can mediate the relationship between CSR and corporate image and customer loyalty, in order to improve customers’ relationships with the hotel. Our article is structured as follows. In the next section, we introduce the main variable of the study as the theoretical framework of our investigation. We introduce and explain our hypotheses, and then describe the methodology, the study sample and measures used. This is followed by an explanation of the data analysis and the results, and finally, we present the discussion and conclusions and outline the study limitations and possible future lines of research.

**Literature review**

Before approaching the issue of the relationship between perceived CSR and corporate image and customer loyalty using trust as a mediator, we briefly discuss the concepts in accordance with the most relevant conceptual frameworks developed in the literature.
**Image**

Corporate image is defined as the public’s (mental) pictures or impressions of an organization (Balmer & Greyser, 2002). Thus, it represents the personal symbolism that consumers associate with the company or brand (Lee, Lee, & Wu, 2011), which lends it strategic importance. Firms, therefore, need precise knowledge about which factors are essential to forming their image, starting from the premise that the creation of an image is influenced by the customer’s experience with the company. Hence, when consumers trust the service provided and are satisfied with it, their image of the company improves (Hoq, Sulatana, & Amin, 2010), creating a customer-based brand capital (CBBE) which can improve their loyalty and be a source for measuring image (Huang & Cai, 2015). However, each sector of the public is interested in different aspects of the company’s activity and applies different cognitive filters, ascribing varying degrees of importance to the different component attributes of the organization’s image, according to their relationship with and interests in it (Alic, Agic, & Cinjar- evic, 2017). In this context, most authors distinguish between functional and symbolic images (Hu, Liu, Wang, & Yang, 2012; Sahoo & Mitra, 2016). The functional image refers to tangible characteristics and represents the intrinsic advantage of consuming a product or service. This is linked to characteristics such as quality and use. The symbolic image, on the other hand, refers to intangible characteristics and represents the extrinsic advantage of consuming a product or service. This associates it with the basic need for social approval, individual expression and self-esteem (Park, Jaworski, & MacInnis, 1986).

**Loyalty**

The concept of loyalty is directly related to a firm’s profitability. More specifically, customers represent the main source of resources for the firm, and therefore, their loyalty directly affects the organization’s profits (Martínez & Rodríguez del Bosque, 2013). This is the reasoning that incentivizes many hotels to offer rewards and special offers tailored to their customers’ preferences, especially those showing higher levels of profitability and loyalty to the organization (Mason, Tideswell, & Roberts, 2006).

Within the hospitality context, there is intense interest in identifying the factors that determine guest loyalty to hotels, because it is generally believed that loyal customers lead to greater profitability. This has spawned an extensive debate on the definition and dimensionality of customer loyalty in the hospitality literature. Several authors have analyzed customer loyalty from two points of view: behavioral loyalty (associated with customer retention) and attitudinal loyalty (incorporating the psychological commitment to or positive affect toward an organization) (Chaudhuri & Holbrook, 2001; Ha, John, Janda, & Muthaly, 2011); other authors also include a third perspective known as “composite measurements” (Bowen & Chen, 2001), which considers the customers’ preferences for products and their inclination to change brands, shopping frequency and total amount of shopping. To measure loyalty in this study, we draw on the first two dimensions, since there is a broad consensus among researchers that attitudinal and behavioral components are sufficient to thoroughly measure loyalty (Ha et al., 2011).

**The relationship between CSR and image**

Corporate image is based on the impressions of the firm held by both internal and external stakeholders. This image is determined by the organization’s actions, such as how it treats its employees, customers and society (Belt & Paolillo, 1982) and the information disseminated about its character, as well as the impressions arising from an individual’s personal contact with the firm. For this reason, managers should focus on the fit between consumers’ perceptions and the firm’s desired image by carrying out CSR initiatives (Lacey & Kennett-Hensel, 2010), since according to Daugherty (2001), one of the benefits of CSR is positive image. Increasing numbers of consumers appear to give greater
support to socially responsible firms (Ellen, Mohr, & Webb, 2003; Vitell, 2015). This leads to evaluation of how the product has improved (Brown & Dacin, 1997) and customers’ support derives in exponential growth. In fact, many scholars have shown that good social action has a positive influence on image (Brown & Dacin, 1997; Sen & Bhattacharya, 2001).

More specifically, as consumers perceive social and commercial responsibility in an organization, they develop an affective attitude toward it, which is an image or overall evaluation of the entity that includes feelings and emotions. With regard to commercial aspects, everything related to the quality of the product or service will have a keen bearing on the image the customer forms. This is because the consumer experience is a major source of impressions and the overall evaluation of the service is a function of this experience (Aydin, Özer, & Arasli, 2005). Similarly, the company’s image can also be built on perceptions of CSR (Wu & Wang, 2014). When a brand or company is associated with ethical and social issues, its image is consolidated (Khayer, Naeemi, & Ahmadi, 2014; Rust, Zeithaml, & Lemmon, 2000) because these issues transmit values that reflect respect for the customer and strengthen trust in the company (Maigman, Ferrell, & Hult, 1999; Vaishnavi, Ganesh, & Thomas, 2014). We therefore propose that:

**H1:** CSR has a positive effect on corporate image.

**The relationship between CSR and loyalty**

Growing social awareness has triggered a considerable increase in research analyzing the effects that CSR actions have on consumers. Many of these studies show that CSR activities have a significant influence on aspects such as consumption, purchase intention, choice, recommendation and customer loyalty (Choi & La, 2013; De los Salmones, Crespo, & Bosque, 2005; He & Lai, 2014; Lee, Park, Rapert, & Newman, 2012; Li, Zhang, Mao, & Min, 2012; Sen & Bhattacharya, 2001; Stanaland, Lwin, & Murphy, 2011).

Although CSR has been associated with the responses of customers at both the theoretical level (Bhattacharya & Sen, 2004; Caruana & Chatzidakis, 2014; O’riordan & Fairbrass, 2014) and the empirical level (De los Salmones et al., 2005; Pérez & Rodríguez, 2014, 2015; Sen & Bhattacharya, 2001), there is still a limited understanding of the different routes that link CSR to loyalty (Marin, Ruiz, & Rubio, 2009; Rivera, Bigne, & Curras-Pérez, 2016). One interesting study in this field is by Sen, Bhattacharya, and Korschun (2006), who use a laboratory experiment demonstrates that CSR initiatives are capable of affecting the results of internal and external stakeholders and their behavioral intentions. In turn, Marin et al. (2009) proposed two complementary alternatives in which CSR and loyalty were linked. In the first, based on the relation between business associations and brand values, the influence of CSR initiatives on loyalty is measured by the evaluation of the firm (Brown & Dacin, 1997; Mohr & Webb, 2005). In the second, CSR initiatives enable customers to identify the firm on the basis of the perception between their own image of the company and that of the company (Lichtenstein, Mine-tte, & Bridgette, 2004; Sen & Bhattacharya, 2001).

Previous studies suggest that a positive appraisal of a company’s CSR actions strengthens both internal and external commitment to it, since this behavior transmits a differentiating value system (Turban & Greening, 1997), respect for customers, concern to provide a proper service, and compliance with quality norms. In this vein, some authors have noted that a large number of customers claim to be more willing to buy products or services from firms involved in social causes (Mittelulu, Fiorani, & Mariani, 2014; Saharan & Singh, 2015), thus bringing about a positive word-of-mouth impact and repeat purchase behavior (Stanaland et al., 2011). We therefore hypothesize that:

**H2:** CSR has a positive effect on customer loyalty.

**The mediating role of trust**

Trust is regarded as an essential component in relationships between individuals, between organizations, and between an individual and an organization (Martínez-Torres, Palacios-Florencio,
Toral-Marín, & Barrero-García, 2011; Prieto, Phipps, Georgia, College, & Addae, 2014). In fact, it is one of the key elements associated with service recovery (Choi & La, 2013) and it can be an essential factor in consumers’ purchasing decisions. The literature in this field shows that trust is a prerequisite for the creation and preservation of long-term relationships between the company and its consumers (Kantsperger & Kunz, 2010; Morgan & Hunt, 1994), mainly in services sectors. In this vein, Reichheld and Scheffter (2000) observe that to win customers’ loyalty, firms must first win their trust. This trust–loyalty relationship is also highlighted by other authors such as Ball et al. (2004), Chaudhuri and Holbrook (2001), Hoq et al. (2010) and Trif (2013). Furthermore, some studies find that trust is a strong determinant of loyalty and influences not only the outcomes – for example, commitment – but also the processes of the relationship, such as the quality of the interaction (Hikkerova & Sahut, 2014; Moorman, Zaltman, & Deshpande, 1992).

For all the above reasons, consumers are increasingly refusing to buy products from companies whose actions they deem to be socially irresponsible (Kovač Žnideršić, Salai, Grubor, & Marić, 2014; Laroche, Bergeron, & Barbaro–Forleo, 2001). In contrast, positive perceptions of CSR give rise to the favorable appraisal of consuming and favorable attitudes to companies (Sen & Bhattacharya, 2001). Thus, companies that implement socially responsible practices obtain a higher degree of commitment from their customers and from society in general, and at the same time increase customers’ trust in the company. The positive aspects of the option to purchase are thus strengthened and the negative aspects reduced. Companies should, therefore, implement socially responsible policies to reinforce the positioning of their brand. This will help to raise levels of customer satisfaction and at the same time increase their loyalty to the company.

In this context, numerous studies have attempted to discover whether CSR activities contribute to improving the organization’s efficacy through satisfaction with or trust in the organization (Hansen, Dunford, Boss, Boss, & Angermeier, 2011; Valentine & Fleischman, 2007). Other researchers have analyzed the impact of CSR on customer-related outcomes, such as their satisfaction (He & Li, 2011) and their loyalty (De los Salmones et al., 2005; Lee et al., 2012; Stanaland et al., 2011). The importance of trust in explaining customer loyalty is supported by authors such as Ball et al. (2004), Chaudhuri and Holbrook (2001) and Hoq et al. (2010). Furthermore, empirical studies show that trust is an important mediator between corporate activities and consumer loyalty and corporate image (Ball et al., 2004; Chaudhuri & Holbrook, 2001; Choi & La, 2013). We therefore posit that:

H₃: Trust mediates the relationship between CSR and image.
H₄: Trust mediates the relationship between CSR and loyalty.

Method

Sample selection

The sample for this study consisted of a total of 629 tourists staying in four international¹ four-star hotels in Seville, since according to data from the Spanish National Statistics Institute (INE, 2013), this is the most popular category of hotel among tourists (both domestic, 51%, and foreign, 49%). The questionnaires obtained from each hotel according to capacity were distributed as follows: 196 questionnaires from a hotel with 233 rooms, 157 questionnaires from a hotel with 437 rooms, 121 questionnaires from a hotel with 81 rooms, and 155 questionnaires from a hotel with 365 rooms. Furthermore, four-star hotels have a high awareness of CSR due to the demand for services largely explained by the standards this category provides. This category has been gradually expanding over the years and seems likely to continue to do so (Garcia Rodriguez & Armas Cruz, 2007); indeed, 41% of the hotels in Seville fall into this classification (Asociación de Hoteles en Sevilla y provincia, 2017). In addition, the growing commitment to their local communities shown by hotels in Seville and the surrounding province is reflected in various ways, such as active collaboration with charitable organizations, and with companies working to help people with physical or mental disabilities enter the
labor market (Hosteltur, 2012); four-star hotels show a high level of similarities in this area of their businesses.

The measurement instrument selected to gather the data was a survey divided into three main sections. The first section compiled information on the guests’ stay in the tourist hotels in Seville and consisted of seven items: (1) length of stay in the hotel (number of nights); (2) main reason for staying in the hotel; (3) who paid for the stay; (4) whether a special rate was applied; (5) who chose the hotel; (6) whether the guest had stayed in the same hotel previously, and if so how many times; and (7) how the hotel reservation was made. The second section measured the constructs of the model (CSR, trust, image and loyalty) on a 5-point Likert scale in which 1 = totally disagree, 5 = totally agree, and 3 was interpreted as indifference, with the exception of variable F16 for which a range of possible responses was provided. The third section gathered personal information about the respondents: (1) gender, (2) age, (3) nationality, (4) employment, (5) marital status and (6) household size (see Table 1).

The research was carried out between 9.00 am and 12.00 pm in the lobby of each hotel, near the reception desk, with the guests who were checking out. This place was chosen for the survey to facilitate contact with the customers and to bother them as little as possible during their stay in the hotel. Two interviewers were present in each of the hotels over five weekends (periods with higher hotel occupancy), and handed out the survey for the guests to complete. The written survey took about five minutes to answer and was available in Spanish and English. The hotel managers had previously given their permission for the study.

**Measures and assessment of dimensionality and epistemic relationship**

To measure CSR we used the scales developed by Swaen and Chumpitaz (2008). We selected this scale because these authors divided the questions according to four types of activities: philanthropy

| Table 1. Socio-demographic and consumer-related variables considered in the research. |
|----------------------------------|----------------------------------|
| Variable                         | Percentage (%)                   |
| Gender                           |                                  |
| Male                             | 45.6                             |
| Female                           | 54.4                             |
| Age                              |                                  |
| From 18 to 25                    | 10.9                             |
| From 26 to 34                    | 28.3                             |
| From 35 to 44                    | 29.4                             |
| From 45 to 54                    | 21.1                             |
| From 55 to 64                    | 8.8                              |
| 65 or over                       | 1.6                              |
| Nationality/origin               |                                  |
| Spain                            | 78.6                             |
| Other                            | 21.4                             |
| Activity                         |                                  |
| Student                          | 9.1                              |
| Self-employed worker             | 33.0                             |
| Employed worker                  | 50.2                             |
| Unemployed                       | 2.4                              |
| Retired                          | 1.6                              |
| Homemaker                        | 3.7                              |
| Marital status                   |                                  |
| Unmarried                        | 23.4                             |
| Married                          | 59.5                             |
| Couple relationship              | 15.2                             |
| Separated                        | 1.0                              |
| Widow/widower                    | 1.0                              |
| Home size                        |                                  |
| One member                       | 11.7                             |
| Two members                      | 35.4                             |
| Three members                    | 26.9                             |
| Four members                     | 18.9                             |
| Five+ members                    | 7.2                              |
(helping the development of countries and investments in good causes), environmental protection (less use of resources), benefits for the consumer (fulfilling guarantees and fair deal) and workers’ well-being (respect of rights with and no racial discrimination). The scale encompassed the CSR dimensions we wished to study. For most people, image involves a mental representation of anything that is not found in the senses: reliving or imitating a sensory experience along with collateral feelings; reproducing from memory or imagination feelings of sight, touch, hearing and visual, tactile or auditory sensations; the sight of a product or service; in general, a concept, an idea (Pérez, 2011). In other words, image refers to a wide range of phenomena. For this reason, we drew on the studies of Lee (2003), Rygllová and Vajčnerová (2005) and Rust et al. (2000) for the image construct. Trust is often conceptualized and measured in different ways and, therefore, covers diverse aspects, such as credibility, trustworthiness, honesty and benevolence. To measure this construct we therefore selected the scales used in Ball et al. (2004) (questions given to banking sector customers) and Swaen and Chumpitaz (2008) (questions addressed to users of cosmetics and sports clothes), as both considered these dimensions. Lastly, we measured loyalty with the scale developed by Zeithaml, Berry, and Parasuraman (1996), since because it integrates the conative, attitudinal and cognitive approaches in a single scale, it can be considered the most complete scale to measure consumers’ behavior intention. All these scales were adapted to the context of our study (see Table 2).

Table 2. Measurement model.

<table>
<thead>
<tr>
<th>Construct/indicator</th>
<th>VIF</th>
<th>Weight</th>
<th>Loading</th>
<th>Composite reliability (CR)</th>
<th>Average variance extracted (AVE)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Corporate social responsibility (reflective construct)</td>
<td></td>
<td></td>
<td></td>
<td>0.96</td>
<td>0.71</td>
</tr>
<tr>
<td>The hotel helps developing countries</td>
<td>0.13</td>
<td>0.89</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>The hotel supports social and cultural activities (art. culture. sport) in the regions it operates in</td>
<td>0.12</td>
<td>0.88</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>The hotel supports humanitarian causes</td>
<td>0.12</td>
<td>0.86</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>The hotel reduces its consumption of natural resources</td>
<td>0.09</td>
<td>0.79</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>The hotel makes its production process more environmentally friendly</td>
<td>0.10</td>
<td>0.85</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>The hotel offers its services in the most ecological way possible</td>
<td>0.11</td>
<td>0.87</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>The hotel is concerned about its customers’ rights (guarantees. information. etc.)</td>
<td>0.11</td>
<td>0.81</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>The hotel treats its staff equally with regard to their gender. race and religion</td>
<td>0.08</td>
<td>0.71</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>The hotel creates jobs</td>
<td>0.10</td>
<td>0.86</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>The hotel guarantees the health and safety of its staff</td>
<td>0.11</td>
<td>0.87</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Image (formative construct)</td>
<td></td>
<td></td>
<td></td>
<td>0.93</td>
<td>0.77</td>
</tr>
<tr>
<td>The interior of the hotel is appropriate for its category</td>
<td>1.27</td>
<td>0.03</td>
<td>0.05</td>
<td></td>
<td></td>
</tr>
<tr>
<td>The location of the hotel is suitable</td>
<td>1.21</td>
<td>0.10</td>
<td>0.15</td>
<td></td>
<td></td>
</tr>
<tr>
<td>I can clearly distinguish the establishments of this hotel chain</td>
<td>3.23</td>
<td>0.25</td>
<td>0.72</td>
<td></td>
<td></td>
</tr>
<tr>
<td>I tend to pay attention to this hotel’s advertising</td>
<td>2.93</td>
<td>0.21</td>
<td>0.73</td>
<td></td>
<td></td>
</tr>
<tr>
<td>I tend to pay attention to the information they send me</td>
<td>1.93</td>
<td>0.21</td>
<td>0.77</td>
<td></td>
<td></td>
</tr>
<tr>
<td>This hotel is renowned for its good social behavior</td>
<td>1.85</td>
<td>0.35</td>
<td>0.78</td>
<td></td>
<td></td>
</tr>
<tr>
<td>This hotel’s image fits my personality</td>
<td>1.49</td>
<td>0.29</td>
<td>0.78</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Loyalty (reflective construct)</td>
<td></td>
<td></td>
<td></td>
<td>0.93</td>
<td>0.77</td>
</tr>
<tr>
<td>I will continue using this hotel’s services in the coming years</td>
<td>0.32</td>
<td>0.88</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I will recommend this hotel to anyone who asks my advice</td>
<td>0.30</td>
<td>0.88</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I would use a different hotel if I had a problem</td>
<td>0.28</td>
<td>0.89</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>If I had a bad experience. I would tell other customers what happened</td>
<td>0.24</td>
<td>0.85</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trust (reflective construct)</td>
<td></td>
<td></td>
<td></td>
<td>0.94</td>
<td>0.77</td>
</tr>
<tr>
<td>The service I received in this hotel makes me feel safe</td>
<td>0.22</td>
<td>0.88</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>This hotel’s services are a guarantee of quality</td>
<td>0.24</td>
<td>0.91</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>This hotel is interested in its customers</td>
<td>0.24</td>
<td>0.90</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>When the hotel suggests an offer it is because it is to my advantage</td>
<td>0.22</td>
<td>0.83</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>The hotel treats me honestly in all its dealings</td>
<td>0.22</td>
<td>0.87</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
**Data analysis**

The data were computed by creating a database in the Windows Excel program for subsequent use in the SPSS/PASW 18 statistical programs and the SmartPLS 2.0 (structural equations technique) computer pack.

Specifically, we used the SPSS program to study the descriptive characteristics of the population (descriptive analysis), the Cronbach’s alpha to measure the scale’s reliability, and the multicollinearity index for the formative constructs (image). The indicators forming the construct may be reflective or formative. Reflective indicators refer to observable variables expressed as a function of the construct such that they reflect or are manifestations of it. In the causal sense, the latent variable therefore precedes the indicators, whereas the formative indicators mean that the construct is expressed as a function of the manifest variables. The indicators form, cause or precede the construct. The image is formative for the two reasons pointed out by Diamantopoulos and Winkhofer (2001). First, there is a theoretical component that explains the formative character; and second, there is an empirical requirement of no collinearity problems among the indicators.

The partial least squares (PLS) method is framed within structural equations modeling (SEM), which is one of the most important recent developments in multivariate analysis, and is widely used in the social sciences (Fornell, 1982). The purpose of multivariate analysis is to help to link data and theory.

The most well-known structural equations instruments, such as AMOS and LISREL, use estimation procedures based on covariance analysis (covariance-based methods). On the other hand, PLS uses a consistent iterative algorithm in an ordinary least square series, combined with a principal components analysis and a path analysis (Barclay, Higgins, & Thompson, 1995).

Specifically, the covariance-based estimation methods are more appropriate in situations where the theoretical knowledge is solid and the research aim is to extend development and evaluation of the theory. In contrast, when the theoretical knowledge is more scant, the research goals are predictive and the model to estimate is more complex, the PLS technique is considered more appropriate (Barclay et al., 1995). The main reason for using PLS is, therefore, to find out whether the theoretical concepts are measured correctly through the variables observed.

**Results**

**Measurement model**

The evaluation of the reflective measurement models examines their reliability and validity (Henseler, Ringle, & Sinkovics, 2009). Individual item reliability is adequate when an item has a factor loading greater than 0.7 for its construct or dimension. In this study, reflective indicators and dimensions satisfy this requirement (Table 2). The assessment of construct reliability uses composite reliability ($r_c$) and Cronbach’s alpha; 0.7 is the benchmark for both indices. All the reflective constructs and dimensions in the study are reliable (Table 2). The average variance extracted (AVE) confirms the convergent validity for all the reflective constructs and dimensions. These attain convergent validity with AVE values over 0.5. Finally, Table 2 shows the results of the discriminant validity assessment, providing evidence that each reflective construct relates more strongly to its own measures than to the rest of the constructs. The evaluation of formative measurement models, at the indicator level, tests for potential multicollinearity between items and analyzes weights (Henseler et al., 2009). The SPSS program performs a collinearity test. The maximum variance inflation factor (VIF) is below the threshold of 3.3 (Roldán & Sánchez-Franco, 2012) (Table 3).

**Structural model**

As Henseler et al. (2009) note, the use of bootstrapping (5000 resamples) generates standard errors and t-statistics to evaluate the statistical significance of the path coefficients. Simultaneously, the
calculation of the bootstrapping confidence intervals of standardized regression coefficients forms part of the analysis. The direct effect of CSR image is significant, whereas the direct effect of CSR loyalty is not significant (see Figure 1(B)). The percentile bootstrap at a 95% confidence interval also has this outcome (Table 4). These results support H1. In addition, the results in Table 3 confirm that the structural model has satisfactory predictive relevance for the image variable (Q2 = 0.04).

Tests on the mediation hypotheses (H3 and H4) use an application of the analytical approach described by Hayes, Preacher, and Myers (2010). Figure 1(A) shows the total effect (c) of CSR on image and loyalty. Figure 1(B) expresses the total effect of CSR on image and loyalty as the sum of the direct (c0) and indirect effects (ab1 + ab2). The estimation of the latter uses the product of the path coefficients for each of the paths in the mediational chain. The application of bootstrapping enables the testing of the mediation hypotheses. This study’s 5000 resamples generate 95% confidence intervals (percentiles) for the mediators. As Figure 1(A) and Table 4 show, CSR has a significant total effect on image (c = 0.35; t = 6.06) and loyalty (c = 0.42; t = 5.98). When the mediator (Figure 1(B)) is added, the influence of CSR decreases, but a significant direct effect on image is maintained (H1: c’ = 0.2; t = 3.495).

Therefore, this result supports H1, H3 and H4, confirming that both indirect effects of CSR on image and loyalty in the research model are significant. Consequently, Table 5 shows that trust (H3: ab1; H4: ab2) partially mediates the relationship between CSR and image and loyalty.

Discussions

This study contributes additional empirical evidence to the recent observations of the positive effect of the perception of CSR on customer trust, image and loyalty. In line with these observations, hotels traditionally focus their efforts on improving CSR levels in order to create a good image and retain their customers. The results of the model with only the total effect (Figure 1(A)) indicate that the greater the hotel’s level of CSR, the more positive the customers’ image of the provider and the greater their loyalty to it (R2 = 0.12 and 0.18, respectively). With trust (Figure 1(B)) as a mediator, however, the direct effect of CSR on image and loyalty falls (Table 5). This finding – that the presence of trust implies a smaller direct effect and an increased indirect effect – is in line with the study by Matzler, Grabner-Kräuter, and Bidmon (2008). These results support H1 but not H2. Therefore, our study shows that the image customers perceive of the hotel and their recommendation of it or their return visits to the same hotel or another in the same chain can transfer to trust; in other words, trust plays an important role in users’ predisposition and purchase intention.

On the one hand, the presence of trust, in a mediating role, affects the relationship between CSR and image and the loyalty that customers show toward the hotel. Hence, CSR has a positive and significant influence on trust (a = 0.44). Similarly, trust has a positive and significant effect on image (b1 = 0.33) and customer loyalty (b2 = 0.68). The results show that trust is a significant mediator in the relationship between CSR and image and loyalty. In the presence of trust, this represents the best predictor of loyalty in the research model, explaining 50.13% of its variance (R2 = .55). The least significant impact is on image, explaining 13.57% of its variance (R2 = 0.21). This finding suggests that other variables not considered in this model could contribute to improving image. However, most of the studies we found explore the influence of image on trust, demonstrated in research by
Chinomona (2016), Tran, Nguyen, Melewar, and Bodo (2015) and Long-Yi and Ching-Yuh (2010), which confirms that a company with a positive corporate image is more likely to remain in the market, attract new customers and retain old ones, thus encouraging greater trust among them. The results of our study also demonstrate that the opposite relationship is possible, namely, that trust influences image.

![Diagram](image)

A) Model with total effect

B) Model with mediation

H1: CR \(\rightarrow\) Image = \(C'_1\)

H2: CR \(\rightarrow\) Loyalty = \(C'_2\)

H3: CR \(\rightarrow\) Trust \(\rightarrow\) Image = \(a \times b_1\)

H4: CR \(\rightarrow\) Trust \(\rightarrow\) Loyalty = \(a \times b_2\)

***p<0.001. **p<0.01. *p<0.05. ns: not significant

Figure 1. Structural model with total effect and with mediation.
Taking into account the number of variables comprising image, the explanation of almost 21% of the variance with trust as a mediator gives an idea of its importance. However, future studies should examine the variables that explain the hotel guest’s image, incorporating other variables, such as the differential effect of prior knowledge of the brand (CBBE) (Keller, 1993). As well as achieving a greater explanation of the variance of image, the joint consideration of all these variables could also determine the relative importance of its explanatory capacity with respect to image in the hotel. In all cases, although the explanatory capacity of CSR of image and loyalty is not very high, this study has shown that it increases when trust acts as a mediator.

It should be noted that the PLS methodology attempts to specify predictability through the values of variance explained ($R^2$) and redundancy ($Q^2$) in the model in which it is tested, as well as the decomposition of the variance explained. This contributes useful information from which practical and theoretical conclusions can be drawn. The model tested in this study attained moderate values for the variance explained (Chin, 1998). In addition, the measures of squared validated redundancy ($Q^2$) show that the structural model has a satisfactory predictive relevance for all the constructs (all $Q^2 > 0$). Therefore, the results show that CSR and trust can foster a positive image among guests, reflected in favorable recommendations and the intention to return, which operationalize loyalty (Sun, Chi, & Xu, 2013).

The research by Rosa-Díaz et al. (2013) shows that CSR has a crucial role in forming image. Moreover, these authors take image as an intermediary between CSR and trust, a contrary effect to that of our study.

Future research should also attempt to determine how much the degree of customers’ general and specific knowledge of the CSR practices influences their image and loyalty. The results of this research have their limitations, and must therefore be interpreted within their own context and not extrapolated to others.

### Table 4. Effects on endogenous variables.

<table>
<thead>
<tr>
<th>Effects on endogenous variables</th>
<th>Direct effect</th>
<th>t-Value (bootstrap)</th>
<th>Percentile 95% confidence interval</th>
<th>Explained variance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Image ($R^2 = 0.205 / Q^2 = 0.038$)</td>
<td>CSR ($c_1$) 0.20*** 3.50 [0.09; 0.32] Sig 6.88%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Trust ($b_1$) 0.33*** 5.80 [0.23; 0.44] Sig 13.57%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Trust ($R^2 = 0.193 / Q^2 = 0.148$)</td>
<td>CSR ($a$) 0.44*** 6.72 [0.31; 0.56] Sig 19.29%</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Loyalty ($R^2 = 0.549 / Q^2 = 0.102$)</td>
<td>Trust ($b_2$) 0.68*** 10.54 [0.54; 0.80] Sig 50.13%</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>CSR ($c_2$) 0.12** 1.40 [−0.03; 0.27] No Sig 4.77%</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

(*p < 0.001. **p < 0.01. *p < 0.05. ns: not significant)

### Table 5. Summary of mediating effect tests.

<table>
<thead>
<tr>
<th>Total effect of CSR on Image ($c_1$)</th>
<th>Direct effect of CSR on Image</th>
<th>Indirect effects of CSR on Image and Loyalty</th>
</tr>
</thead>
<tbody>
<tr>
<td>Coefficient</td>
<td>t-Value</td>
<td>Coefficient</td>
</tr>
<tr>
<td>0.35*** 6.06</td>
<td>H1 = $c_1$ 0.20*** 3.50</td>
<td>H3 = $a b_1$ 0.14</td>
</tr>
<tr>
<td></td>
<td>Direct effect of CSR on Loyalty</td>
<td>H4 = $a b_2$ 0.30</td>
</tr>
<tr>
<td>0.42*** 5.98</td>
<td>H2 = $c_2$ 0.12** 1.40</td>
<td>Coefficient</td>
</tr>
<tr>
<td>Total effect of CSR on Loyalty ($c_2$)</td>
<td>0.12** 1.40</td>
<td>Coefficient</td>
</tr>
</tbody>
</table>

* 5000 bootstrap samples.

***p < 0.001 (based on t(4999)).

One-tailed test: t(0.001, 4999) = 3.09
First, the statistical technique used does not set out to demonstrate causality, but rather is based on the concept of predictability (Roldán & Sánchez-Franco, 2012). Indeed, the search for a description of causal mechanisms in a closed system is too ambitious in the case of social and behavioral sciences. Also, without having established the isolation and temporal precedence, statistical analysis alone cannot provisionally prove causality. Therefore, “the concept of causality was abandoned and replaced by the concept of predictability” (Roldán & Sánchez-Franco, 2012, p. 285). Second, the study only looks at one country (Spain) and one industry (hospitality). Caution is, therefore, advised when generalizing the results to other settings. Third, only the perception of one segment of guests was measured. Future studies could usefully perform cluster analysis and identify different segments (for example, Lifestyles of Health and Sustainability, naturalites, drifters, etc.). Fourth, the particular antecedents and outcomes in this model constitute a limitation to the generalization of the results to other models. Fifth, the cross-sectional (rather than longitudinal) design of the study might misrepresent variables that refer to lengthy processes, the effects of which only become apparent over long periods. It would be useful for future studies to adopt a longitudinal approach when analyzing these questions.

Conclusions

This study contributes to the literature both theoretically and empirically, since the aim of our research was to shed new light on the relationship between CSR and trust, image and loyalty, analyzing the mediating role of trust. Additionally, it suggests a series of actions that hotel managers should follow in order to increase the positive effects of these variables. Our reasons for pursuing this goal were twofold: first, because of the importance of loyalty in hotel establishments, and second, because of the importance of image for hotel management. Moreover, this study makes several contributions to the literature on CSR and hotel customers’ trust. Consequently, the results of the study provide evidence based on hotel guests’ global or general perception, but not their specific perceptions because the specific actions of a certain hotel were not the object of this study.

From a theoretical perspective, on the one hand, customers, although they are not formally members of the firm, can develop a strong link with organizations and enhance their image (Bhattacharya & Sen, 2003; He & Li, 2011), since these customers are the main source of information for other guests and can influence their purchasing decisions. For this reason, firms carry out or source market research, undertake surveys, and analyze complaints in order to identify their customers’ needs and satisfy them to the best of their abilities (Gómez Gómez & De Abajo Martínez, 1997). However, despite the recognized importance of CSR and its effects on the development of loyalty and image held by hotel customers, the impact through trust continues to receive little research attention. Indeed, the existing literature focuses on the direct effects of CSR on the customer’s loyalty, image and trust, but to a large extent ignores the indirect effects of and between these variables. Furthermore, although the literature has demonstrated that CSR actions are associated with consumers’ loyalty and image (De los Salmones et al., 2005; Marin et al., 2009; Pérez, García de los Salmones, & Rodríguez del Bosque, 2012), our study contributes to this literature by proposing a model that enhances understanding of how trust can become a good antecedent and mediate between CSR on customers’ loyalty and image, thereby causing them to grow. On the other hand, in practice, firms use CSR instrumentally, that is, to improve their image, gain legitimacy and, by extension, attract socially aware customers. This approach clearly contrasts with the CSR strategic approach in which a firm considers CSR as a fundamental value and integrates it into its organizational culture accordingly (Swanson, 2014). This means that CSR practices are not implemented because the management wishes to be considered responsible and ethical, but rather it believes that such behavior is fundamental and morally correct, regardless of whether or not it is translated into any reputational gains.

From a practical perspective, customers are more inclined to believe that responsible companies operate honestly in their activities and are more willing to enter into relationships with firms that develop socially responsible initiatives. Therefore, a CSR approach provides an efficient tool with
which to increase the trust between companies and their customers. More specifically, CSR encourages the development of relationships that are grounded on honesty and the belief in the promises and actions of others, and that go beyond mere legalities and contracts (Kennedy, Ferrel, Debbie, & LeClair, 2001). The present study therefore lends additional empirical evidence to the recent observation of the direct positive effect of CSR on image and loyalty, and proposes, develops and confirms the mediating role of customer trust in the relationship between CSR and image and loyalty.

Our findings have two important implications for hotel managers aiming to build strong, lasting relationships with their customers. First, the results show that companies play an important role in consumers’ daily lives and the hotel company can influence them through its image and through loyalty. Hotel managers should invest more in socially responsible initiatives to obtain higher levels of loyalty as customers tend to reward socially responsible companies. Second, given that CSR has a stronger effect on image and loyalty through trust, hotel businesses should allocate more resources to improve that trust. For this reason, we recommend some interventions to strengthen levels of trust: (1) be clear, concise and specific in communications through all channels; (2) ensure that information in the media is relevant, reliable, and can be verified; (3) maintain constant dialogue with customers in order to be able to meet their needs in the best possible way; (4) be coherent and consistent in all contacts with the customer, including dealing with complaints; (5) give quick, effective attention; (6) improve professional organization and qualifications, as the staff are the best ambassadors for the hotel brand; and the obvious final point, (7) treat the customer with respect and humanity.

In sum, as a result of this study, we believe that investment in responsible management leads to an increase in competitiveness.

Note

1. The four hotels selected were those whose managers expressed most interest in taking part in the research.

Disclosure statement

No potential conflict of interest was reported by the authors.

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