Tweeting CSR: a double mediation study on customer engagement with hotels

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Abstract:

This research studies the effects of Corporate Social Responsibility (CSR) initiatives, communicated through Twitter, on customer engagement, considering two mediating factors: customer-company identification and trust. The study was carried out with 227 hotel guests who were exposed to Twitter CSR stimuli about hotel initiatives; a multistep mediation model was tested with SmartPLS. The results suggest that, from a behavioural perspective, customer-company identification and trust are full and joint mediators between CSR customer perceptions and customer engagement. Our study focuses on Twitter as a two-way communication tool for CSR initiatives in the hotel sector and combines two different theories (trust-commitment and social identity) to explain customer engagement as a result of the perception of the CSR profile of the hotel. This research contributes to research into social media effectiveness in CSR communication and tourism marketing.

1. Introduction

To achieve legitimacy in the eyes of stakeholders, companies need to communicate their Corporate Social Responsibility (CSR) activities actively and effectively (Nielsen & Thomsen, 2018). In the digital era, social media are a key tool for CSR communication, as they allow for a two-way process and a higher degree of interaction (Suárez-Rico, Gómez-Villegas & García-Benau, 2018). In this study we adopt customer perceptions of CSR-related messages conveyed through Twitter as a measure of the positioning of companies as socially responsible (Currás-Pérez, Dolz-Dolz, Miquel-Romero & Sánchez-García, 2018), and their effects on customer engagement (CE), mediated by both trust and customer-company identification (CCI). CCI draws on social identity theory, CSR profile being a key element of the customer's sense of fit with company principles (Luo & Bhattacharya, 2006). Trust draws on trust-commitment theory and is defined as the willingness to rely on a partner's honesty, reliability and integrity (Garbarino & Johnson, 1999). CE, from a behavioural perspective, focuses on voluntary behaviours towards the firm beyond the pure purchase transaction (Kumar & Pansari, 2016). This study contributes to extant research by comparing two mediating factors (i.e., trust and CCI) in the relationship between CSR customer perceptions and CE. To find new ways to effectively communicate CSR (Serra-Cantallops Peña-Miranda, Ramón-Cardona & Martorell-Cunill, 2018), we explore the role of Twitter in customer behavioural intentions to revisit, recommend and give feedback to the hotel.

2. Conceptual framework

CSR customer perceptions are defined as the image created in customers' minds about a hotel's economic, social and environmental impact, which is a fundamental source of customer value (Currás-Pérez et al., 2018). Three dimensions are considered in our chosen CE conceptualization (Kumar & Pansari, 2016): Customer Lifetime Value (CLV), Customer Influencer Value (CIV) and Customer Knowledge Value (CKV). CLV is defined as the value of the future profitability of the customer to the company during its relationship with him/her. CIV includes all customer behaviours aimed at helping their peers, including eWOM communication and post-purchase advice. CKV covers all customer insights into their preferences and experiences with the company. With respect to CLV, hotel loyalty is directly affected by the image built around its environmental-friendly attitudes and its concern about societal issues (Martínez & Rodríguez del Bosque, 2013). CSR can also trigger customer online communications (i.e., CIV), since altruistic motivations to develop favourable eWOM and express gratitude appear when the hotel behaves in a socially responsible manner (Hu & Kim,

2018). Hotel guests care and are willing to provide feedback (i.e., CKV) on the hotel's CSR practices, given the strong impact this active collaboration with companies has on society (Iglesias, Markovic, Bagherzadeh & Singh, 2018). Based on these arguments, CSR customer perceptions arguably positively affect CE behaviours.

H1. CSR customer perceptions gained through Twitter have a positive effect on customer engagement

When the customer perceives that the hotel cares about social and environmental issues, trust is likely to be developed and sustained over time (Jalilvand, Vosta, Mahyari & Pool, 2017). Positive customer perceptions about a company's CSR contribute to building an image of social and environmental consciousness and initiate the psychological process that develops trust (Odriozola & Baraibar-Diez, 2017). This effect occurs when customers are informed of these activities through corporate communications (Potepkin & Firsanova, 2017). Therefore, we posit a positive relationship between CSR customer perceptions and trust.

H2. CSR customer perceptions gained through Twitter have a positive effect on trust in the hotel

On the one hand, customer trust is important to acquire an emotional connection with the company that will encourage customers to increase their number of purchases (Lee, Tang, Yip & Sharma, 2017). On the other hand, trust is also considered to be an antecedent of the intention to use social media to recommend the company (Eberle, Berens & Li, 2013), and to facilitate cooperative behaviours and productive interaction with the firm (Kumar & Pansari, 2016). In short, trust is considered as being positively related to CE.

H3. Trust has a positive effect on customer engagement

Customers are more prone to relate to companies that are socially responsible, since this contributes to the satisfaction of their self-enhancement and self-esteem needs (Martínez & Rodríguez del Bosque, 2013). In the case of hotels, CSR is particularly valued if the guests feel concerned about the specific causes it relates to, which results in an emotional linkage of identification with the hotel (Matute-Vallejo, Bravo & Pina, 2011). CCI very much depends on boundary-spanning agents, who commit to the company's values and transmit them to the customer by displaying pro-social and environmental behaviours (Tuan, 2018). Hence, we posit that CSR customer perceptions have a positive effect on CCI.

H4. CSR customer perceptions gained through Twitter have a positive effect on customer-company identification

CE behaviours in our conceptualization can be explained by social exchange theory; the rule of reciprocity states that customers feel obliged to make a voluntary contribution to the hotel in exchange for its social activities (Jalilvand et al., 2017). Regarding CLV, customers define their social identity by highlighting their affinity with the hotel's actions, which, when accompanied by a pleasant brand experience, causes intention to revisit (Brakus, Schmitt & Zarantonello, 2009; So, King, Hudson & Meng, 2017). Focusing on the reasons for CIV generation, a high level of identification also results in positive eWOM recommendations to reinforce one's own sense of belonging and need for self-enhancement (Chu, Lien & Cao, 2018). Focusing on CKV, it is important that the customer undergoes a process of social identification with the company to ensure co-creation (Luu, 2017). Therefore, we posit that CCI positively affects all dimensions of CE.

H5. Customer-company identification has a positive effect on customer engagement

Shared values foster trust in the relationship between the customer and company, due to the reliance on the integrity of the firm (Edwards & Cable, 2009). A lack of trust felt towards a specific CSR activity is not dependent on the activity itself, but can be based on whether or not the activity fits with the company's values (Cha, Yi & Bagozzi, 2016), therefore it is fundamental that the client identifies with the salient values of the hotel. Identification also yields other effects that positively impact on the development of trust, such as resilience to negative information (Rather, 2018). These arguments support a positive relationship between CCI and trust.

H6. Customer-company identification has a positive effect on trust in the hotel

3. Methodology

We focus on Twitter as it is one of the 3 most used social networks in the U.S. hotel industry (Kim & Chae, 2018). Its microblogging format is especially important in environmental-sensitive sectors such as the hotel industry, where customers often express their opinions about CSR activities and expect responses from the companies (Martínez, Herrero-Crespo & Gómez-López, 2018). A single-factor experimental design was implemented by manipulating twitter posts (firm-generated content vs user-generated content). The survey, which was carried out during June 2018, was aimed at hotel guests who had stayed in a 3-star or 4-star hotel during the previous month. The experiment was undertaken in Valencia, which is one of the top five urban destinations in Spain. A structured questionnaire was fully completed by 227 hotel guests. The sample included 122 women (53.7%) and 105 men, 168 who were on leisure trips (74%)

and 59 on work-related trips; 117 are Twitter users (51.5%) and 110 who do not have a Twitter profile (48.5%). The constructs were measured using 7-point Likert scales selected and adapted from previous literature: CSR customer perceptions (Bigné, Chumpitaz & Currás-Pérez, 2010), CCI (Homburg, Wieseke & Hoyer, 2009), trust (Ruiz-Mafé, Martí-Parreño & Sanz-Blas, 2014), and CE (Kumar & Pansari, 2016). For the causal model testing, we used partial least squares for structural equation modelling (PLS-SEM) with SmartPLS 3.2.7 software.

To test the model we used a two-step process of confirmatory factor analysis (CFA) and structural equation modelling (SEM). The CFA provided very good validity and reliability results. Average variance extracted (AVE) exceeded 0.5, Cronbach's alpha was above the minimum level of 0.7 and composite reliability higher than 0.6 for all factors. Discriminant validity was proven, as all HTMT ratio levels were below 0.9 (Teo, Srivastava & Jiang, 2008) and all factor loadings were significant at a $p < 0.001$ with 5000 bootstrap resamples. CE is included as a second-order formative construct; to avoid problems of collinearity the model was estimated in a two-stage approach (van Riel, Henseler, Kemény & Sasovova, 2017). No collinearity problems were found (VIF <5) in the different weights, and all were found to be significant, except CIV. Since intention to recommend the hotel online is an important indicator of CE, and as its corresponding loading was above 0.5 (std. loading = 0.693, $p < 0.001$), this dimension was kept in the model.

4. Discussion of results

Figure 1 shows the results for the path coefficients of the SEM. H1 is not supported, meaning that the direct effect of CSR customer perceptions on CE was found to be non-significant. Nevertheless, H2 and H3 are supported. Customers develop a relationship of trust with a company as a result of CSR information spread through Twitter (H2), and this yields a positive and significant relationship between trust and CE behaviours (H3). H4 and H5 are accepted, hence it is acknowledged that CSR communications influence identification with the hotel's values (H4) and also have a positive effect on the intention to revisit, to carry out positive eWOM communication about the hotel and share knowledge with the company to improve its performance (H5) as dimensions of the CE. CCI positively influences trust, thus H6 is supported.
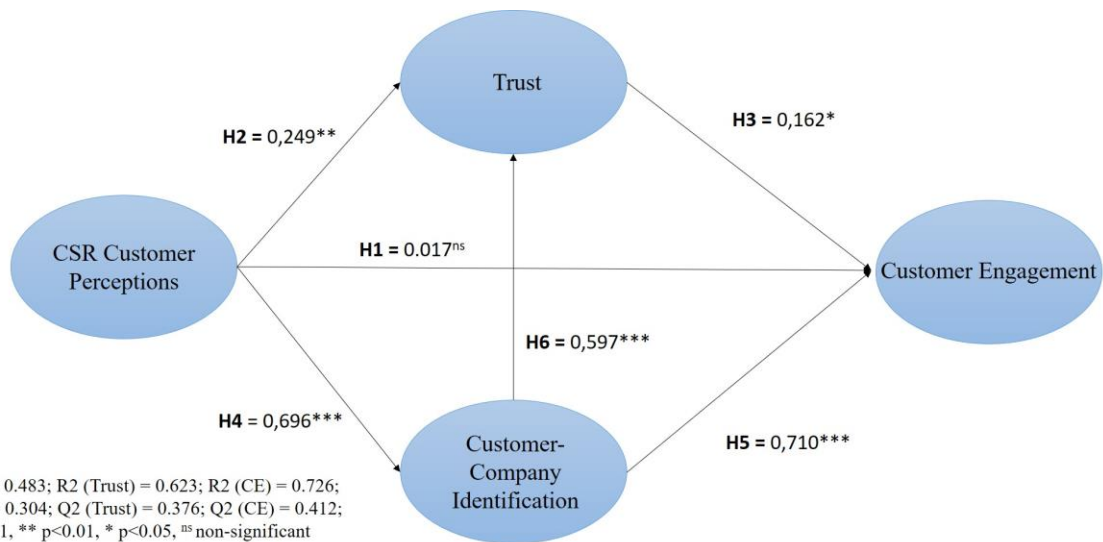
Figure 1. PLS-SEM results.

The indirect effects are presented in Table 1. It is noted that the stronger indirect effect is through CCI, and that this difference is significant (see Table 2). The joint effect of CCI and trust involves a multiple mediation in which there is a causal relationship between CCI and trust. The total indirect effect has a variance accounted for (VAF) above 90%, thus giving further evidence of the positive mediating effect (Cepeda, Nitzl & Roldán, 2017). We identify a full mediation where only the indirect effects are significant and a serial mediation where one mediator (i.e., CCI) has an effect on the other (i.e., trust).

| Direct effects | Coefficient | Bootstrap 90% CI | | | |
		Percentile		Bias corrected	
H1: CSRP → ENG	0.017^{ns}	0.004	0.114	-0.026	0.084
H2: CSRP → TRU	0.249**	0.104	0.384	0.105	0.385
H3: TRU → ENG	0.162*	0.04	0.297	0.036	0.293
H4: CSRP → CCI	0.696***	0.613	0.772	0.613	0.772
H5: CCI → ENG	0.710***	0.580	0.836	0.163	0.419
H6: CCI → TRU	0.597***	0.468	0.723	0.468	0.723
Indirect effects	Point estimate	Percentile		Bias corrected		VAF
Via TRU: H2 x H3	0.040	0.006	0.091	0.004	0.090	70.4%
Via CCI: H4 x H5	0.494	0.378	0.620	0.082	0.325	96.7%
Via CCI → TRU: H4 x H6 x H3	0.067	0.016	0.126	0.016	0.125	79.8%
Total indirect effect	0.601	0.401	0.839	0.102	0.540	97.3%

*** $p < 0.001$, ** $p < 0.01$, * $p < 0.05$, ns non-significant, VAF: variance accounted for

Table 1. Summary of mediating effects tests

| Differential effect | Coefficient | Bootstrap 95% CI | | | |
		Percentile		Bias corrected	
CCI – TRU = (H4 x H5) – (H2 x H3)	0.454*	0.355	0.536	0.358	0.539

* significant

Table 2. Comparison of mediating effects

5. Conclusions and managerial implications

This research contributes to the study of the relationship between CSR communications and CE. CSR content in tweets does not elicit positive customer engagement behaviours, such as repeat visits, the spreading of positive eWOM through social media and participation in co-creation activities, unless they trust the company and/or identify with its values. Therefore, CSR communication, from an instrumental view, is confirmed as an excellent promotional tool to foster positive customer behaviours towards the hotel (Nielsen & Thomsen, 2018), as long as other emotional factors are present (Martínez & Rodríguez del Bosque, 2013). In our study these emotional factors are trust and CCI, identified as mediators between CSR customer perceptions and CE. When customers perceive the hotel to be socially and environmentally responsive, they have trust in the hotel and its honesty, benevolence and competence, and thus develop positive CE behaviours towards the company (Ling-Yee, Li, Liu & Luk, 2017). Similarly, a feeling of identification arises when there is similarity between perceptions of the hotel's actions and the customer's defining principles, which also leads to CE (Luu, 2017). More interestingly, the effect of CE also takes place when the mediators occur sequentially; the customer first feels identified with the hotel's corporate values and this develops trust in the company, bringing together two different theoretical approaches to CE. Regarding practical implications, the hotel should foster a culture that reinforces CSR-oriented values to create a breeding ground for a social identification process and trust, which will eventually lead to CE. Furthermore, we respond to the call to consider the further applicability of Twitter in tourism (Kim & Chae, 2018). We also show the potential of Twitter to highlight CSR activities, as it can be easily accessed and shared by tourists and contributes to CE if the content reflects customers' values and, due to its clarity and transparency, is trusted. For future research, we intend to include moderating variables to verify if there are significant differences in terms of Twitter usage and awareness of the hotel's CSR policies.

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