



# Assessing community awareness on business social responsibility (BSR) in the hotel industry: A case study of Quigney, East London, South Africa

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## Abstract

Tourism is one of the key and fastest growing economic industries in both developed and developing countries. Business Social Responsibility (BSR) is a way a business can contribute to the society in which it operates and invest in the well-being of its stakeholders, as well as improving the quality of the workforce and local community. Tourism businesses specifically within the hospitality sector engage in BSR programs with initiatives such as to employ local residents and sponsor local schools, but many communities are unaware of these initiatives. The lack of knowledge about BSR programs have attributed to communities being unaware of the benefits of having hotels within their communities. The objective of the study is to determine the level of community's awareness on hotels BSR initiatives in East London. The data collection method that was used is primary and secondary data which was gained through self-administered questionnaire. The study included both primary and secondary data collection methods. A total number of 100 questionnaires were distributed among the community residents in Quigney. The data was captured and analysed using Statistical Packaging for Social Science (SPSS) software. The main findings of the study revealed that a large majority of the local community members in Quigney, East London were unaware of hotels that practise BSR. Therefore, the mandate lies with the hotel managers of Quigney to increase knowledge within the community about their BSR programmes so that the community can be aware of such positive initiatives. The study aimed to contribute to the growing literature on community awareness in the Eastern Cape. The study has also laid a foundation for future interrogation of the phenomenon of hotels BSR initiatives in East London and the Eastern Cape Province at large.

**Keywords:** Business Social Responsibility, Tourism, Hotels, Community, East London

## Introduction

Tourism is one of the leading and fastest growing economic industries in both the developed and the developing countries (Ravindran, 2014). Moreover, Meyer and Meyer (2016) state that tourism has been seen as a particularly useful tool for developing countries. In addition, the tourism industry plays a significant role in the economy of any country by providing employment opportunities, thus improving the standard of living for local communities within the area where tourism is being developed (Phiri, 2015). Naidoo and Sharpley (2015) point out that the contribution of tourism to local communities is not always guaranteed to societies especially in less developed world. National Treasury (2019) argue that many communities have adopted tourism as new economic development strategy which assists to alleviate economic difficulties. There is different terminology for the social responsibility of enterprises in literature. However, for the purposes of this study, business social responsibility (BSR) will be the primary terminology



used, as corporate social responsibility CSR has a connotation to the social responsibility activities of larger and more established enterprises. This study focused on all star graded hotels situated in Quigney, East London, thus BSR is the most suitable synonym to use.

According to Murphy (2019), BSR has lately become the leading term when describing the social contribution of a business to sustainable development. BSR is described by Information Resources Management Association (IRMA) (2019: 603) as a concept where a business will incorporate social and environmental concerns within their daily business functions and in their interactions with their stakeholders on a controlled basis. The type of BSR initiatives that are currently being developed in businesses often occur as a response to existing social issues, such as unemployment (Rootman & Zeka, 2013). For example, responding to the challenge of low employment rates, a business could make provision for free food parcels regularly to its local community. There are a number of activities that may be regarded as BSR activities and more broadly, BSR entails the relationship between the enterprise, the local community and the natural environment in which a business operates (Murphy, 2019).

Business Social Responsibility (BSR) in the context of the tourism industry can be defined as a guiding business policy whereby tourism businesses can incorporate social and environmental concerns. These above mentioned concern can be combined with their own business mission, strategies and operations (Lund-Durlacher, 2015). Calveras (2015) states that BSR plays a vital role in the environment of any business, specifically that of the tourism industry. The accommodation sector has recently been faced with the burden to give special attention to the environment as well as social considerations at every stage of their business, from the groundwork and application of site plans and business programmes and policies to daily routine operations (Glen, 2017). BSR attracts interest from tourism businesses, specifically the accommodation sector. Many hotel businesses are now substantially engaged in activities relating to social and environmental responsibilities (Bunlueng, Butcher & Fredline, 2014). Furthermore, according to McGehee, Wattanakamolchai, Perdue and Calvert (2009) the tourism industry has indicated that it makes significant contribution towards the amount of resources aimed at BSR activities. These activities are specifically designed for local communities, and in turn that the community would appreciate the efforts.

Recently, the hospitality sector has become known as the leaders in sustainable tourism and is now paying specific attention on environmentally sustainable good practices focused at energy reduction, recycling, waste management, water management and social projects (Sucheran, 2016). Mbasera, Du Plessis, Saayman and Kruger (2016) argue that no matter what one calls them, eco-hotel, eco-lodge or green hotel, they all form part of the 'greening' of the tourism industry, representing a conscious attempt to market themselves as environmentally, and socially conscientious entities.

An increasing number of accommodation establishments, specifically in South Africa have also initiated a number of BSR initiatives in an attempt to conserve and protect the environment and reduce social problems (Mbasera, Du Plessis, Saayman & Kruger, 2016). Moreover, Sucheran (2013) have identified a lack of knowledge about BSR among communities in which these businesses function. The purpose of this research is to fill the gap in relation to knowledge concerning BSR initiatives, specifically within the hotel sector.

## **Research Methodology**

### **Research design**



Research design, according to McCombes (2019), is described as... “an overall plan, to which the respondents of a proposed study are selected, as well as the means of data”. In the current study a qualitative and quantitative research methods was used to collect the required data in order to assess the community awareness towards BSR initiatives.

### **Data Collection methods**

The study included both primary and secondary data collection methods. Secondary data was collected through relevant Internet websites, academic books and journals. Primary data for the current study was gathered using a self-administered questionnaire survey. The questionnaire was used to collect information on the community awareness of hotels’ BSR initiatives. The Questionnaire comprised open-ended and close-ended questions.

The questionnaire predominately consisted of three sections;

- **Section one** focused on community awareness towards hotels BSR. The purpose of the section was to find out whether the community members were aware of BSR initiatives, and to establish whether BSR contributes to the community’s well-being, and, if so, the extent to which they contribute. It also aimed to establish the role that the hotel businesses play in the Quigney community.
- **Section two** aimed at analysing the perceived impacts of BSR. The aim of this section was to assess the perceived impacts that were associated with BSR in Quigney. Finally,
- **Section three** aimed at gathering information on the demographic profiles of the respondents, such as their level of education. The questionnaire comprised open-ended and close-ended questions.

### **Sampling**

The respondents were randomly selected and the target population included local community residents who were available during the study period. A simple random sampling technique was utilised to collect data. The researcher ensured that all important procedures of the sampling process were followed at all times.

### **Pilot Study**

Wokken (2013) explains that a pilot study is a trial run of an investigation conducted on a small scale. The questionnaire was revised and circulated to academic staff and researchers at Walter Sisulu University (WSU) within the tourism and hospitality department. Based on the feedback received the questionnaire was modified, for an example, the researcher was able to delete or rewrite questions and to verify response options. The main aim of the pilot study was to validate the questions of the study.

### **Data Analysis**

For capturing and analysing of the data for the current study, the Statistical Package for the Social Sciences (SPSS) version 22 software was used. Furthermore, the SPSS software was used to run the statistical tests that automatically generate tables, and pie and bar charts. Such software was mainly used to analyse the quantitative data whilst the qualitative data were analysed by means of categorising and conceptualising terms and theories.

### **Validity and Reliability**



To ensure that the findings of the current study were valid and reliable, the following steps were taken:

- The questionnaire was designed based on the research questions.
- The fieldworkers were trained on how to collect, to manage, and to distribute questionnaires.
- A pilot study was conducted.
- Ethical clearance for the research was obtained.

### Findings of the study

The study included a total number of 100 respondents within the community of Quigney, East London. A section of the questionnaire included the demographical profile of the respondents.

**Table 1:** Demographical profile of the respondents

Variables	Category	Percentage (%)
<b>Age</b>	0-20	15%
	21-30	67%
	31-40	13%
	41-50	4%
	61-70	1%
<b>Gender</b>	Male	48%
	Female	52%
<b>Education</b>	Secondary completed	41%
	Undergraduate	28%
	Certificate/Diploma	20%
	Postgraduate degree	11%

Table 1 portrays that 67% of the respondents were in their youngest ages, ranging from 21 and 30 years of age. More than half 52% of the respondents were females. The majority 90% of ethnic group of the respondents were black people. With regards to education levels below half of respondents 36% completed secondary education. A high percentage of the respondents 23% indicated that they do not receive a monthly income.

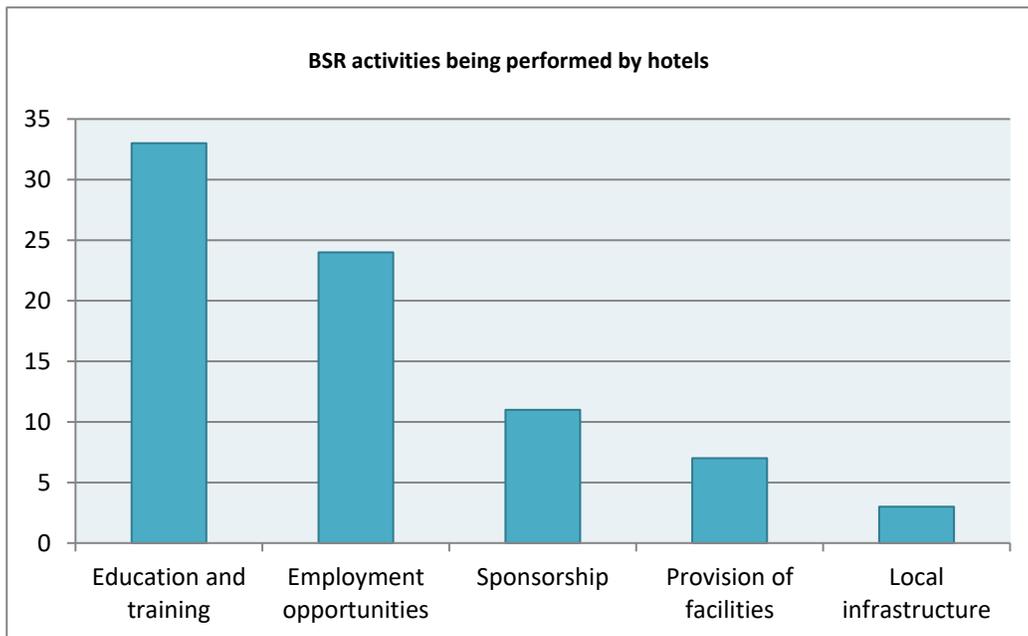
Respondents were asked to indicate their understanding of BSR. A high percentage (40%) of the respondents stated that BSR are businesses that give back to the community. Some (25%) indicated that BSR are businesses that voluntarily take steps to improve the quality of life for society at large. A total of (13%) of the sample indicated that BSR are businesses that provide training and education programmes to the community. Some respondents (12%) stated that they thought BSR are businesses that contribute towards sustainable development. A few respondents (10%) noted that they were not sure of what business social responsibility was. One of the study objectives was to ascertain the level of community awareness in Quigney, East London of the hotels' BSR initiatives. Therefore, the respondents were asked to indicate whether they were aware of any hotel in Quigney which practices BSR in the community. A majority (73%) were not



aware, whereas a minority (27%) stated otherwise. Such finding proved that most of the local community members of Quigney, East London were not aware of any hotel/s which practice BSR.

Figure 1 below illustrates the findings of the study with regard to a question in which the respondents were asked to select any BSR activity being performed by the identified hotels. The majority of the respondents (33%) selected education and training as being the main activity that is performed by the identified hotels. Some respondents (24%) selected employment opportunities, whereas others selected donations (22%), sponsorship (11%), provision of facilities (7%) and local infrastructure (3%).

**Figure 1: BSR activities being performed by hotels**



Respondents were further asked to indicate their perceived impacts of businesses that practice BSR. The findings in table 2 underscore that majority 64% of respondents agreed that BSR programmes generate employment. Furthermore, 44% of the respondents disagreed that communities become dependent on BSR initiatives. The results show that 81% of the community agrees that BSR programmes contribute towards social development. Furthermore, 80% of the respondents agree with the statement that education and training can be provided by BSR programmes.

**Table 2: Perceived impacts of Business Social Responsibility (A=Agree; N=Neutral; D=Disagree)**

IMPACTS	A	N	D
BSR programmes generate employment	64	26	10



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Communities become dependent on BSR initiatives	23	33	44
BSR programmes contribute towards social development	81	16	3
Education and training can be provided by BSR programmes	80	15	5

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### Study Limitations

The current study focused on the community awareness of hotels' BSR in the Quigney area in East London. The limitation of the study was due to the fact that few studies had yet attempted to consider community awareness on hotels' BSR initiatives in South Africa and in this area in particular. The study was also limited due to time and the financial constraints involved.

### Conclusion and Recommendations

The primary purpose of this paper was to determine the level of community awareness of hotels' BSR initiatives in Quigney, East London. It was expressed that the majority of respondents indicated that they were not aware of any hotel in Quigney practising BSR. It is recommended that the hotels managers of the Quigney area should put more effort in performing BSR activities so that the whole community can be aware of their BSR initiatives. Furthermore, it is recommended that the hotels managers of Quigney area initiate BSR communication with the community and through various channels or media by advertising their social responsibility initiatives. Additionally, the hotels managers should involve the community of Quigney in BSR plans so that projects are designed according to the needs of the community.

The current study aimed at evaluating community awareness of hotels' BSR initiatives in Quigney, East London. Such a study has laid the foundation for future interrogation of the phenomenon of hotels' BSR initiatives in Quigney or East London at large. Further research can also look at closely investigating the impacts which emanate from BSR. It has become imperative to investigate the possible impacts that BSR brings to the community. The study revealed that there is limited community awareness of hotels' BSR in Quigney: future research could therefore also investigate the factors that limit community awareness on hotels BSR initiatives, because it is important that a workplace conducts their business in a way that is ethical and societal friendly. This is to ensure that the business will facilitate the development of the surrounding community in which it operates.

It was hoped that the current study would improve the way in which hotel businesses in East London plan and manage their BSR activities, The results of the study were intended to create awareness of BSR initiatives and contribute towards knowledge improvement for the local community, so that they could benefit from these initiatives and improve their standard of living. The results of the study could also serve to inform the improved planning and management of BSR initiatives in South Africa, and particularly in the Eastern Cape Province.

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