

### CORPORATE SOCIAL RESPONSIBILITY: A STUDY OF PREMIUM LUXURY HOTELS ON THE BALEARIC ISLANDS

**Miguel Trías-Vilar** (*University of the Balearic Islands, Spain*)<sup>✉</sup>

**María Antonia García-Sastre** (*University of the Balearic Islands, Spain*)

#### Abstract:

This paper deals with the subject of Corporate Social Responsibility as a key element to design internal marketing strategies and changes related to the luxury hotel industry on the Balearic Islands. Although all changes are still fresh in the manager's mind, something seems to be changing in the internal managerial tourism performance according to recent studies.

The purpose of the paper is to unveil some working methods that managers in the hotel industry should employ in an integrated manner when driving a course of action to enable employees to live and perform coherently the corporate and sustainable brand values, as well as to enable their efficient transmission to the customers and indirectly promote them to the whole of society, both in Spain and abroad.

**Keywords:** *corporate social responsibility; strategic marketing; hotels; Balearic Islands*

### RESPONSABILIDAD SOCIAL CORPORATIVA: UN ESTUDIO DE LOS HOTELES DE LUJO PREMIUM EN LAS ISLAS BALEARES

#### Resumen:

Este artículo aborda el tema de la Responsabilidad Social Corporativa como un elemento clave para diseñar estrategias de marketing interno y cambios en relación con la industria de los hoteles de lujo en las Islas Baleares. Aunque todos los cambios están aún frescos en la mente del directivo, según recientes estudios algo parece estar cambiando en la gestión turística a nivel interno.

El propósito del artículo es desvelar algunos métodos de trabajo que los directivos de la industria hotelera deberían emplear de forma integrada a fin de permitir a los trabajadores vivir y actuar coherentemente con los valores de marca corporativos y sostenibles, así como permitir su transmisión eficiente a los clientes e indirectamente promoverlos en el conjunto de la sociedad, tanto en España como en el extranjero.

**Palabras clave:** *responsabilidad social corporativa; marketing estratégico; hoteles; Islas Baleares*

---

<sup>✉</sup> Faculty of Economics and Business (University of the Balearic islands), Carretera de Valldemossa km. 7.5 07122-Palma de Mallorca (Spain)  
e-mail: [miguel.trias@uib.es](mailto:miguel.trias@uib.es)

## 1. Introduction: tourism in the Balearic Islands as a world reference. Importance and recent trends

The Balearic Islands are well-known as one of the most popular tourism destinations in Spain and one of the most visited sun and sea destinations in Europe. Located in the Mediterranean off the North-East coast of Spain, they are easily reached from most European countries in no more than 3 hours (see Figure 1). With a total surface area of 4,992 km<sup>2</sup> and 1,428 km of coastline, the region comprises three main islands, namely Majorca, Minorca and Ibiza, and the two smaller and relatively unspoilt islands of Formentera and Cabrera.

The Islands have usually been seen as a typical example of a second generation European mass tourist resort (Knowles and Curtis 1999). Those high-density tourist areas that emerged in the Mediterranean in the 1960s experienced a rapid development that usually created a tourism monoculture. This has been the case of the Balearics. The boom of tourism caused a fundamental and rapid transformation of the islands from a rural region into one of Spain's richest regions.

In order to get an idea of the importance of tourism for the islands, one of the first variables that should be addressed is the evolution of tourist arrivals. The total number of foreign tourists rose by a cumulative yearly average of 4.5% between 1991 and 2009. The Balearics have one of the highest tourist rates per capita in the world with 11 million tourists a year, i.e. a ratio of 11:1 to the local population (García-Sastre et al. 2010).

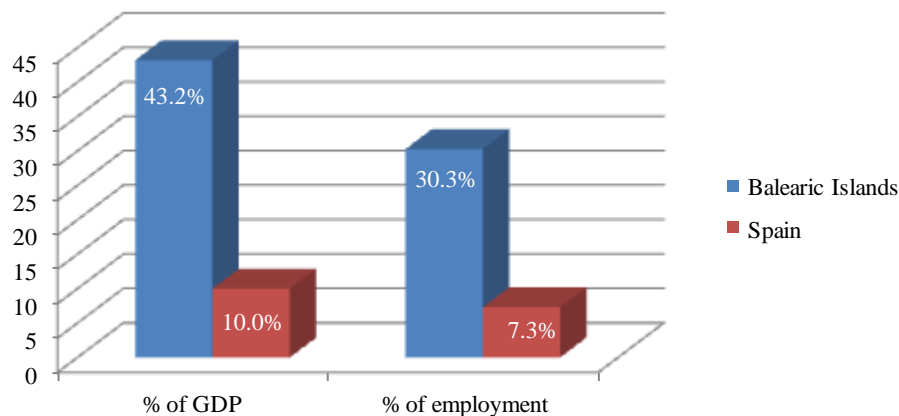
Macroeconomic information points to the importance of the tourist sector in the Balearic economy as a whole. According to Exceltur (2011) and data from the Tourism Satellite Account drawn up by the Spanish Statistics Office (INE 2011), tourism in 2009 accounted for 44.2% of the Balearic GDP, a figure far higher than tourism's 10% contribution to the Spanish economy as a whole and considerably higher than figures recorded for other Spanish regions (see Figure 2).

Tourism's high capacity to generate income has a knock-on effect on other aspects of the economy. More specifically, data relating to the labour market shows that tourism also plays a key role in employment generation in the Balearic Islands. In 2009, 30.3% of all employment in the region was directly or indirectly related to tourism. These figures significantly exceed those recorded for Spain as a whole, where 7.3% of total employment in Spain was tourism-related.

**Figure 1** Location of the Balearic Islands regarding several European destinations



Source: Garín and Montero (2007)

**Figure 2** Importance of the tourist sector in the Balearic Islands and Spain (2009)

Source: Based on Exceltur (2011)

The Balearic Islands continue to be a leading Mediterranean holiday destination as regards the number of tourists. In 2011 the islands received more than 11 million tourists and offered 717 hotels, 33 of them belonging to the premium luxury segment (ATB 2012). This maybe a small percentage, but these brands spearhead the growth of Spanish hotels abroad. According to Hosteltur (2011), 917 Spanish owned Hotels are located abroad. City or resort hotel management know-how, highly appreciated by the international market, with a presence in the four continents, is one way to encourage the establishment of CSR activities worldwide in the hotel sector.

In addition to the emergence and development of numerous foreign countries and destinations that all compete for the sun-and-sand segment, the type of tourist who visits the Balearic has undergone a significant shift, as a result of constant socioeconomic changes brought about by economic, legal, as well, political reforms. These are forces which compound the hotel's macro and microenvironments and influence their marketing strategy. The new scenario calls for the design and implementation of policy marketing changes. Thus, in a context, in which end customers are expected to take a more active role, new standards must focus on how to satisfy the expectations and needs of an increasingly well-informed and more demanding tourist that can select from a wider variety of alternatives. Among them, CSR and sustainability seem to be a subject of increasing interest. Nowadays, it is important to reflect the hotel's policy in the design of an internal coherent marketing strategy. To achieve this goal, a substantial amount of information about the Balearic Island hotel industry would allow us to research the problem we have identified.

Corporate Social Responsibility (CSR) is not a new concept, but it appears to be a subject of increasing interest amongst academics and practitioners. It is regarded by many to be a philosophy, and policy, which benefits the economy, society and the environment based on the premise that companies have responsibilities beyond commerce. Recognising and practising these obligations is frequently a challenging task as there is a constant uncertainty about the nature and degree of commitment.

Recent years have seen the emergence of a more rounded management approach which measures business not only by financial success, but also takes a much wider view (Bar-Zuri 2008). CSR relates to the "economic, legal, ethical, and discretionary expectations that society has of organizations at a given point in time" (Carroll 1979). This approach follows the belief that in going beyond its narrow economic interest an organization can positively affect its stakeholders (Turker 2009a). Although implementing CSR policies bears a cost, it is largely believed to be profitable for organizations (Frey and George 2010). Accumulated published works contain considerable empirical evidence of positive relations between CSR and organizational measures such as reputation, customer loyalty, competitiveness and sustainability (Porter and Kramer 2006). However, only a limited number of researches have examined how corporate social activities affect employees. A small number of studies (Greening and Turban 2000) have found that CSR creates a good reputation for business, thus increasing its attractiveness as an employer for prospective job applicants (Murray and Ayoun 2011). A positive relationship has also been found between CSR policies and organizational commitment among current employees (Brammer et al. 2007;

Turker 2009b), leading to a rise in employee performance, along with a drop in staff turnover and employee burnout, both of which are costly for organisations (Soloman and Hansen 1985; Aguilera et al. 2007). Initial indications of employee satisfaction as a result of CSR have also been found, but these findings relate almost entirely to large and medium sized organizations in the industrial sector. There appears to be no documented work showing a link between CSR and employee motivation in the tourism industry, and more specifically in the hotel sector.

Work into CSR in the corporate world as a whole is reflected in the tourism industry, although its defining characteristics add an extra dimension to the debate. Tourism is a service which involves the transportation of customers, their accommodation and their entertainment. It is predominantly a people service with a high percentage of company employees having routine and frequent face to face customer contact. There is also a larger than normal proportion of short term or seasonal employees. Taken in the round these factors give rise to potentially disruptive dynamics for the organisations in the sector.

The capacity of tourism to impact on destination economies, societies, cultures and environments is well documented and its adverse repercussions have exposed the industry to strong criticism (Tourism Concern 2012). It should not be forgotten, however, that tourism can supply much needed infrastructure, income and jobs which boost destination economies and raise standards of living. It may also strengthen the case for the protection of threatened resources and help to fund their conservation (Serra 2011). In that sense, the tourism industry would seem to have particular and identifiable responsibilities outside of the business arena, due to its very close relationship with destination environments and societies which are integral part of its products and services.

Notably, the need to understand the unexamined role of CSR positioning in employee reaction to a hotel's CSR actions is underscored by the unique nature of such a positioning strategy compared to those along more conventional dimensions such as operational excellence, product innovation, or customer intimacy. This is because it is a company's actions in the CSR domain, as opposed to other, more product-related ones, that truly reveal its "values" (Turban and Greening 1997). It makes the company's identity not only more memorable but also more anthropomorphic, enabling consumers to identify with it more easily. In other words, unlike other positioning strategies, CSR positioning humanises a company or brand, encouraging consumers to not just like, respect or admire the company but actually identify with it (Bhattacharya and Sen 2003). In turn, the benefits of such identification to the brand are strong, numerous and enduring (Liechtenstein et al. 2004). Specifically, these go beyond the transactional benefits to the company (i.e. sales) of any consistent, coherent positioning to the rarer, longer-term relational benefits such as loyalty and recommendation (e.g. positive word-of-mouth, or resilience to negative brand information).

Such positioning has contributed to the company's extraordinary success, creating employees, and indirectly customers, who act as "ambassadors" for the company (Springer 2006) very much in line with the Green Paper of the European Commission (2001) to promote a European framework for CSR, the Lisbon Strategy 2010 and the World Tourism Organization's outlook on tourism evolution (UNWTO 2010).

On the above basis, this paper deals with the subject of CSR with special reference to the hotel sector, aiming to determine the key success factors in obtaining employee commitment to living the hotel CSR strategy. This study therefore seeks to expand our understanding of the effect of CSR on employees' attitudes and perception by examining their relationships with the CSR management of their hotels, specifically by using the example of premium luxury hotels in the Balearic Island.

Having set out in this introduction the importance of analyzing the link between employee commitment and CSR hotel brand positioning, we have examined an extensive body of contributions which have been previously published on the subject in an attempt to narrow the existing research gap. Following, some propositions were constructed with the aim of developing a set of working methods and some key elements to design an internal marketing strategy. The third section of the paper outlines the methodology that was used for the analysis in order to produce key elements to consider in the design of an internal marketing strategy. Later on, the fourth one looks at the key elements which an internal marketing strategy must implement in order to ensure the success of the CSR hotel branding position. These elements should also positively affect employee commitment and provide managers with an integrated course of action to enable their employees to live the CSR hotel branding position and its values. Finally, a summary of considerations is presented.

## 2. Theoretical framework and approach to the proposals

### 2.1. Literature review

*Living the CSR hotel brand positioning* of the organisation means that an employee must behave in a way that is representative of that company's brand, values and culture. Bendapudi and Bendapudi (2005) suggest that companies should consider employees their living brand and devote a great deal of time and energy to training and developing them so that they reflect the brand's core values. This is often referred to as employee branding or human capital branding. Mitchell (2002) believes that organisations trying to achieve employee commitment to living the brand of the organisation need to create an emotional connection with employees to make the brand come alive for them in order to persuade them to align their values and behaviours with that of the company's brand. Human resource managers strive to achieve employee engagement, which Das (2003) suggests to be driven by six factors: reward, recognition, relationships, opportunity, environment and leadership. This author says that engagement consists of three key elements: *say* (where employees speak positively about where they work); *stay* (not only do employees stay, but show this by wanting to contribute to the good of the group); and *strive* (where an employee goes the "extra mile" in contributing to the organization). These factors are closely related to employees living and performing coherently the CSR brand values and consequently acting as brand ambassadors.

Czaplewski et al. (2001) believe that internal marketing is an important way to obtain, develop, motivate, and retain skilled staff quality service. Beagrie (2003) contends that internal marketing is the process of motivating employees to change their behaviours and thinking in order to achieve organisational goals. Many of the authors also allude to the concept that internal marketing is the process of seeing the employees as customers, providing a vital link in the implementation of any marketing strategy to better serve the organisation's customers (Drummond et al. 2007).

The essence of performance management systems is a shared process between managers and the people they manage based on the principle of a psychological contract (Armstrong 2006). Philpott and Sheppard (1992) state that the purpose of performance management "is to establish a culture in which individuals and groups take responsibility for the continuous improvement of business processes and their own skills and contributions". In this sense, Mullich (2003) believes that in order for employee engagement to be a success in organisations it is needed to measure employee engagement frequently and in multiple ways.

Incentives and rewards need to be aligned with the achievement of personal, departmental and company goals. McDermott (2002) defines an incentive as "a way of motivating our employees to perform at a level that is above what we expect as normal". Performance management is the primary means of evaluating employees and providing feedback to them. Given the close link between the employment relationship and obtaining employee commitment to living the CSR brand's positioning of the hotel, the implication is that the performance of management practices needs to be evident for employee branding to be a success.

Employee loyalty is another important aspect in building the employment relationship, as "loyal employees make up the core of a successful business, managing the company, designing products and services, selling new business and interacting with customers everyday" (Larsen 2003). Loyal employees are also more likely to engage in champions the value of which have positive effects on sales and profits, as a result of others coming into contact with a firm's internal brand champions (Fram and McCarthy 2003). A CSR Brand positioning offers the opportunity to increase company goodwill in the communities in which the firm operates, when employees represent themselves to others as supporters of their company, developing a positive image of the company.

Given the emphasis placed on human capital in the new world of work, it is understandable that organisations compete for talent. According to Czaplewski et al. (2001), when attracting new employees companies should be more concerned with hiring people with the right attitude because attitudes are more difficult to change, whilst skills can always be taught. Employers of choice are those organisations that outperform their competition to attract, develop, and retain people with through innovative and compelling human resource organisations alike (Copeland 2000). Greatplacetowork (2012) delineates what is needed in order to create a great working, environment, listing five dimensions; credibility, respect, fairness, pride and camaraderie.

Mitchell (2002) and Beagrie (2003) contend that in order to successfully promote employee branding, it has to be made a key business objective. Both authors believe that this starts with senior management, offering a clear vision worth pursuing, which reinforces the big picture to employees. Mullich (2003) maintains that human capital branding can only occur when employees can see that their efforts dovetail with the company's corporate goals. He argues that people talk about aligning corporate, departmental and employee goals, but few actually do it.

A starting point for making the CSR brand positioning come alive for employees is to understand who the internal customer is. In this sense, Mullich (2003) believes that while most firms define themselves by the goods and services they offer, they are actually defined by the productivity, the quality and the service of their human capital, namely the performance of their employees. Following this approach, a company's true persona begins from within, so if employees cannot project the message that the organization is trying to convey, that message will not resonate with customers. Mitchell (2002) supports this view noting that employees must know everything customers know. Employees must therefore be treated like customers in order for them to believe in the company's brand; they need to be seen as the internal market within the organization as part of the larger relationship marketing plan (Payne et al 2003).

Experiences are unique in that they are able to convey intangible aspects (like feelings), making it an ideal tool to assist in conveying a company's brand values which are often intangible in nature (Pine and Gilmore 1998). In this way, experiences have for some time now been used by leading edge companies to further differentiate themselves from the competition. Therefore, what companies have begun to realize is that experiences are not for the exclusivity of customers, but they are also very useful in making the company's brand or big ideas to come alive for employees.

Viewed from another perspective, internal marketing can also be considered as the communication platform for the employment relationship and therefore the platform for obtaining employee commitment to live the CSR brand positioning of the organization. Beagrie (2003) believes that the best way to do this is through employing the same persuasive methods of communication that companies employ to market products and services externally. Previously, Mitchell (2002) also supported this view, proposing that internal marketing and external marketing should be linked in order to ensure that employees hear the same messages that customers do. Simms (2003) contends that the best solution is to undertake a joint marketing-human resources approach, where employees are aligned behind the brand positioning and promise, and have the systems and processes in place to implement them. Companies that are good at internal marketing treat the consumer brand and the employee brand as two sides of the same coin and integrate their communications accordingly.

Internal marketing has a number of other human resources and organizational benefits, including high levels of employee satisfaction, improved retention rates, reduced absenteeism and wider acceptance of any change programme (Beagrie 2003). Internal marketing can therefore generate higher levels of employee brand loyalty that can translate into other strategic goals such increasing the quality of life for surrounding communities, creating better business opportunities or improving experiences for tourists. (Frey and George 2010). Internal marketing therefore has a key role to play in obtaining employee commitment to living the CSR brand positioning.

In relation to the tourist industry, Porter and Kramer (2006) point out that corporate social investment and ethical management practices have emerged as strong trends in many industries but evidence of actual change remains relatively limited in tourism. According to Tepelus (2008), the debate is taking place in tourism later than in other industries. Meanwhile, Vargas (2010) considers that CSR in tourism needs to be much more reinforced with contributions from different theoretical frameworks with a proved capacity for explaining this still-recent phenomenon.

Organizational culture is also an important concept to keep in mind, as those organizations wanting to obtain employee commitment to live their CSR positioning often have to change sometime the company culture. Organizational culture is defined as the commonly held and relatively stable beliefs and values that exist within an organization or, in a colloquial way, as "the way people think about things around here". This includes patterns of behaviour in the organization, the rites, rituals and symbols (Walters et al. 1996). Getting employees to live the brand is a major organizational initiative and therefore a justification to carry out studies aiming to determine what some of the key building blocks of an appropriate CSR culture would be in the hotel sector.

As a conclusion from the above literature review, we can state that while there is much written about CSR marketing strategy and some about CSR related to human resources practices in the industrial sector, the area of employee CSR branding remains as an exciting new concept in the tourism sector and more specifically in the hotel segment. Although a fair amount of material exists on the topic, few authors have managed to integrate the themes and to come up with specific recommendations on how to implement these employee branding CSR initiatives together in the hotel sector. One potential reason for this may be that the topic requires the merger of concepts from marketing and human resource practices, which is not common as organisational divisions often work in isolation. Despite the material available on employee branding, there remains no integrated empirical information on successful implementation of managing the hotel's CSR branding, either on the Balearic Islands or elsewhere.

## *2.2. Proposals*

The literature review also provides evidence to suggest several working proposals. So, in our view, those hotels successfully gathering employee commitment to live the hotel CSR brand positioning usually show the following characteristics:

- a) they make employees CSR positioning a key business priority (Du et al. 2006);
- b) they convey a clear set of CSR values to their employees, and live by them (Ind 2007);
- c) they look for talented employees and focus on their needs (Czaplewski et al. 2001);
- d) they have an internal employee CSR brand positioning programme which builds employee loyalty through informing, motivating, energising and engaging employees (Larsen 2003);
- e) they integrate measurement and recognition into their overall performance management system to evaluate and reward employee commitment to living the CSR brand positioning of the hotel; and
- f) they monitor hotel culture (CSR beliefs and values) on an ongoing basis and are prepared to face and make the necessary changes (Walters et al. 1996).

On this basis, the aim of our study was to verify and assess if the propositions posed were in fact correct, or if there were other factors that still needed to be considered specifically for the hotel sector.

## **3. Methodology**

The study was conducted in two phases. The first of them involved personal interviews with experts in the field of employee branding. The purpose of this phase was to identify suitable hotel groups to comprise the case study. The experts were recognised CSR branding consultants and academics in the hotel sector. Their brief was to identify Balearic hotel groups where employees currently “live the CSR brand positioning”. After an analysis of their initial findings several hotels were identified to be suitable to form the study sample. In this sense, we followed Bryman's recommendation (1989) that less than ten organisations are appropriate in cases where the primary focus is on qualitative interviews.

Access to the information in the companies was obtained via hotel executive managers. The companies were eight premium luxury hotels, six of them located on Majorca Island, one on Ibiza and one in Minorca. A total of 387 employees were targeted. Each one of these hotels had brands which were widely recognised and valued either internationally, nationally or regionally.

The second phase was devoted to merge both qualitative and quantitative elements of the research according to the approach by Yin (2004), who referred to a case study as an empirical inquiry that investigates a contemporary phenomenon within its real-life context. This includes to know when the boundaries between the phenomenon and context are not clearly evident, and in which cases multiple sources of evidence are to be used.

A modified quota sampling technique (Leedy and Ormrod 2009) was used to select suitable candidates. Only employees with a minimum employment period of 12 months in the sector were considered. The hotel managers were also interviewed. From a total of 228 respondents, 55 were department heads and the rest members of their staff which means 173 employees. The former were interviewed in the two stages, which is considered sufficient. Meanwhile, the latter only answered a questionnaire. These numbers were deemed to be statistically suitable for this type of methodology.

The data collection process was based on three data sources. The primary one was semi-structured personal interviewing using a predetermined questionnaire. This information was complemented by researcher observations during the interviews and the time spent on site. At the beginning of each case study, the hotel manager and the researcher completed a checklist together to document any visible signs of employee branding. With the aim of confirming the validity of the study process, triangulation was used to validate the study process (Stake 1995). This enabled the collection of data from a number of different sources, thus substantiating the findings and conclusions made in the study. It was done through the convergence of the evidence (Yin 2004), i.e. on the assumption that many separate pieces of true information must all point to the same conclusion (Báez 2007; Leedy and Ormrod 2009).

The questionnaire used in the interviewing process followed a tried and tested format. A first section included three questions as follows: a quantitative one requiring respondents to rank the degree to which they were encouraged to live the CSR of the brand and two open-ended questions aiming to go deeper in investigating their views as to why and how they thought the company did this. The second part of the questionnaire asked the respondents to rate 20 different statements developed from the historical studies (Boyd and Sutherland 2006), as to the extent to which the respondent came across that factor in the work, using a five point Likert scale ranging from 1 (*strongly disagree*) to 5 (*strongly agree*). The questionnaire was pre-tested and corrected for design errors.

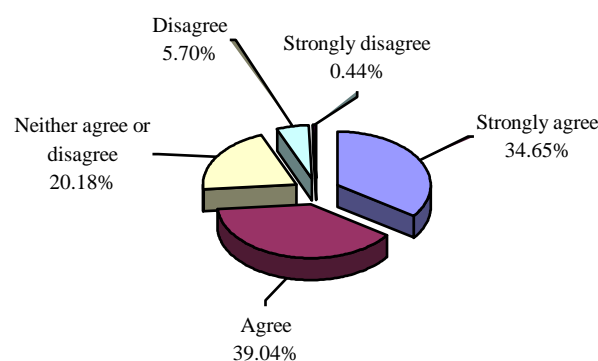
Later on, and due to the nature of the study, i.e. a large proportion of the information collected was qualitative, content analysis was used to analyse the data. This analysis was chosen as being considered as a detailed and systematic examination of the contents of particular body of material for the purpose of identifying patterns, themes, or biases which measures the semantic content or the “what” of a message (Leedy and Ormrod 2009). The second section of the questionnaire lent itself to more quantitative analysis and evaluation. Following the separate analysis of sections A and B, the responses from both sections were used, together with the researcher’s checklists, to triangulate the data and confirm the validity of the study process.

However, given the predominantly qualitative nature of the case study method, and that the pattern of the study was interpretive, certain limitations apply and only limited generalizations can be made. This should not be a real trouble indeed, as the purpose of case study research is to add to theory-building rather than to generalize findings to a population. We have also to take into consideration that judgemental sampling was used to arrive at which companies were researched as case studies and quota sampling was used to determine which employees in each organisation were to be interviewed, and these limitations may impact on the validity and reliability of the study.

#### 4. Results

Figure 3 shows the responses to the question “do you think the hotel actively encourages employees to live the CSR brand positioning of the organization?” in premium luxury hotels on the Balearic Islands. Results bear out the expected strong commitment about living the CSR brand positioning of the hotel.

**Figure 3** Answers to the question *Do you think the hotel actively encourages employees to live the CSR brand positioning of the organization?* (%)





This was also confirmed through the results of the content analyses that were applied to the questions on “*why*” employees trusted their hotel managerial actively boosted them to live the CSR hotel values, and on “*how*” employees believed their hotel enhances them. Additionally, the factors present in the hotel were arranged according to the scores from the “*strongly agree*” columns first and then by the scores from the “*agree*” column and so on.

With the aim of assisting with triangulation and validation of the study information, evidence of employee CSR hotel brand positioning was obtained from observations on site. To be precise, researchers highlighted how organizations obtained employee commitment to living the hotel CSR brand positioning and consequently its values. The key themes emerging from the results were considered together, aiming an easier interpretation of the findings from the analyses. Each result was considered as potential source for additional themes to be analyzed.

Thus, it was suggested that hotels which successfully manage employee commitment to live the hotel CSR values share a common set of characteristics, and so:

- a) they make employees CSR positioning a key business priority;
- b) they convey and live by a clear set of CSR values to their employees;
- c) they have an internal employee CSR branding programme which develops employees through informing, motivating, energising and engaging them; and
- d) they look for talented employees and take into account their needs.

These four factors are an important finding of this exploratory study as they challenge some fundamental principles of human resource management.

Another significant observation from the results was that employees from all the hotels which participated in the study were used to continuous change. In this sense, and according to the obtained results, those issues revealing as less critical to secure the employee commitment to live the hotel CSR culture were *financial reward, job satisfaction, employee’s input to internal CSR branding development and implementation, and meeting the individual needs of employees.*

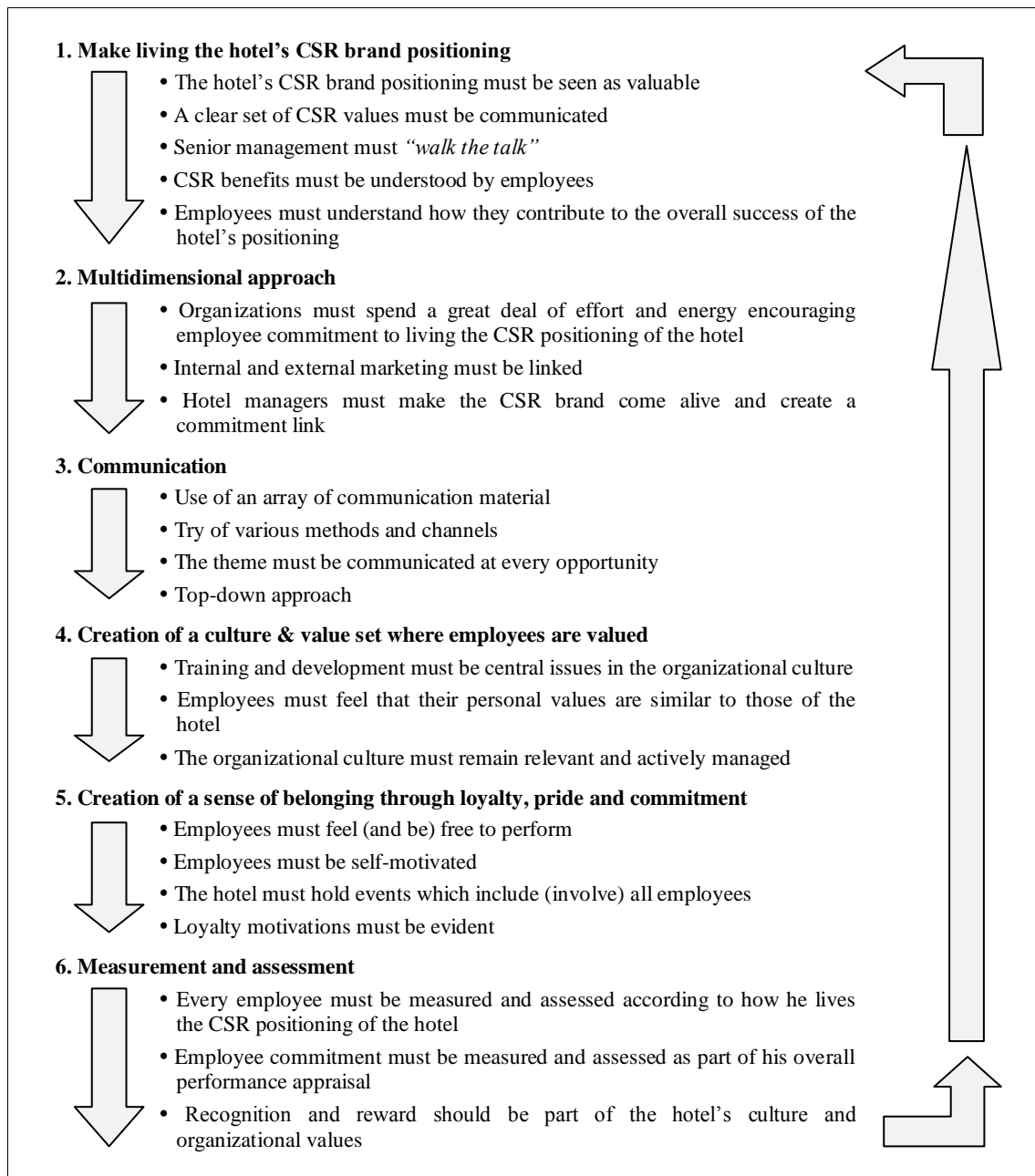
## 5. Conclusions and considerations

The purpose of the study was to acquire practical evidence on the crucial success factors which are required to provide a framework for hotel managers aiming to inspire their employees to embrace the CSR brand positioning of their establishments. From the results of the conducted research and the observation in those hotels that were considered case studies as well as with reference to previous contributions in the literature, an employee brand positioning model has been formulated to serve as a template for implementing such an initiative (Figure 4).

The model is based on the idea of a self reinforcing cycle of six key components that senior management should take into consideration when aiming to obtain employees’ commitment to live the CSR brand positioning of the hotel. The model recommends that the organisation needs to practise all the six components in a coordinated way, as they depend upon one another. So, a hotel must make employee CSR branding positioning a key business objective and this requires a multi dimensional approach and needs excellent communication to create a culture where employees are valued. This in turn leads to a sense of belonging through loyalty, pride and commitment, which has to be routinely measured if the company is going to make employee branding a business fundamental.

In other words, the model must be considered as a global organizational initiative where all components are inter-linked. The proposal is an example of where an integrated approach delivers results in excess of the individual parts.

The critical elements in achieving each component of the model, as derived from the empirical research, are detailed by components. For instance, in order to make employee CSR branding positioning a key business objective, a hotel has to ensure that the staff understands that it is valuable and included in the organizational values, and these values must be clearly communicated as well. Senior management must “*walk the talk*” while employees must understand the benefits of employee CSR branding positioning and also must know how they contribute to the overall success of the hotel.

**Figure 4** Employee commitment to living the CSR brand positioning: a self reinforcing template

Source: own elaboration

So, senior managers wishing to promote employee commitment to live the organizational CSR brand positioning of the hotel need to pay attention to all aspects and not just to one or another component of the model. This unfortunately means that we are not suggesting a "quick fix" solution. It is important to note that obtaining employee commitment to live the CSR brand positioning of the hotel is not only a marketing function, a human resource function or a hotel manager function; it is an intervention involving the whole organization, where one element depends upon another as inter-linked and co-dependent pieces of a same puzzle.

Employee branding is a way by which senior manager can actively assist the differentiation of the company, its products and services, thus increasing the global value of brands. However, managers should not forget that employee behaviour deserves their serious attention, as it has the power to destroy brand equity or build it. We hope this study has shown how hotels can enable their employees to contribute towards increasing brand values through the implementation of organization wide initiatives.

## References

- Aguilera RV, Rupp DE, Williams CA, Ganapathi J (2007) Putting the S back in corporate social responsibility: a multilevel theory of social change in organisations. *Academy of Management Review* 32(3):836-863
- Armstrong M (2006) *Performance management: key strategies and practical guidelines*. 3<sup>rd</sup> ed. Kogan Page, London
- ATB (2012) Agencia de Turismo de les Illes Balears web site. Agencia de Turismo de les Illes Balears and Govern de les Illes Balears, <http://www.caib.es/>. Accessed 29<sup>th</sup> March 2012
- Báez y Pérez de Tudela J (2007) *Investigación cualitativa*. Esic, Madrid
- Bar-Zuri R (2008) *Social responsibility and business involvement in the community: quantitative measures of business involvement in the community*. Israeli Ministry of Industry and Commerce: Research and Economics Department
- Beagrie S (2003) How to influence employee behavior through internal marketing. *Personnel Today* (August):35
- Bendapudi N, Bendapudi V (2005) Creating the living brand. *Harvard Business Review* 82(5):124-128
- Bhattacharya CB, Sen S (2003) Consumer-company identification: a framework for understanding consumers' relationship with companies. *Journal of Marketing* 67(2):76-88
- Boyd G, Sutherland M (2006) Obtaining employee commitment to living the brand of the organization. *South African Journal of Business Management* 37(1):9-20
- Brammer S, Millington A, Rayton B (2007) The contribution of corporate social responsibility to organizational commitment. *International Journal of Human Resource Management* 18(10):1701-1719
- Bryman A (1989) *Research methods and organization studies*. Routledge, London
- Carrol AB (1979) A three dimensional conceptual model of corporate social performance. *Academy of Management Review* 4(4):497-505
- Commission of the European Community (2001) *Green Paper: promoting a European framework for corporate social responsibility*. Commission of the European Community, <http://eur-lex.europa.eu/>. Accessed 29<sup>th</sup> March 2012
- Copeland J (2000) *Attracting and keeping the best people*. SmartPros, <http://accounting.smartpros.com/>. Accessed 29<sup>th</sup> March 2012
- Czaplewski AJ, Ferguson JM, Milliman JF (2001) Southwest Airlines: how internal marketing pilots success. *Marketing Management* 10(3):14-18
- Das S (2003) Vacant or engaged? *Employee Benefits* (March):24-28
- Drummond G, Ensor J, Ashford R (2007) *Strategic marketing: planning and control*. 3<sup>rd</sup> ed. Butterworth-Heinemann, Oxford
- Du S, Bhattacharya CB, Sen S (2007) Reaping relational rewards from corporate social responsibility: the role of competitive positioning. *International Journal of Research in Marketing* 24(3):224-241
- European Council (2010): *The Lisbon Strategy for growth and jobs (revision of the European Council Resolution of 2000)*. European Commission, <http://ec.europa.eu/>. Accessed 29<sup>th</sup> March 2012
- Exceltur (2011) *Impactur 2009. Estudio del impacto económico del turismo sobre la economía y el empleo de las Illes Balears*. Exceltur, <http://exceltur.org/>. Accessed 29<sup>th</sup> March 2012
- Fram EH, McCarthy MS (2003) From employee to brand champion. *Marketing Management* 12(1):24-30
- Frey N, George R (2010) Responsible tourism management: the missing link between business owners' attitudes and behaviour in the Cape Town tourism industry. *Tourism Management* 31(5):621-628
- García MA, Jacob MM, Alemany M. (2010) The evolution of the tourist profiles in a mature destination: a key element to design new marketing policies and strategies. Paper presented at the Second International Conference on Tourism between China and Spain. Palma de Mallorca, 27<sup>th</sup>-30<sup>th</sup> March
- Garín T, Montero L (2007) Tourism in the Balearic Islands: a dynamic model for international demand using panel data. *Tourism Management* 28(5):1224-1235
- Greatplacetowork (2012) *What is a great workplace? Great Place to Work*, <http://greatplacetowork.com/>. Accessed 29<sup>th</sup> March 2012

- Greening DW, Turban DB (2000) Corporate social performance as a competitive advantage in attracting a quality work force. *Business and Society* 39(3):254-303
- Hosteltur (2011) Ranking Hosteltur de cadenas hoteleras 2011. Hosteltur, <http://www.hosteltur.com/>. Accessed 29<sup>th</sup> March 2012
- Ind N (2007) *Living the brand*. 3<sup>rd</sup> ed. Kogan Page, London
- INE (2011) Cuenta Satélite del Turismo de España. Base 2008. Serie 2008-2011. Instituto Nacional de Estadística, <http://www.ine.es/>. Accessed 29<sup>th</sup> March 2012
- Knowles T, Curtis (1999) The market viability of European mass tourist destinations: a post-stagnation life-cycle analysis. *International Journal of Tourism Research* 1(2):87-96
- Larsen L (2003) Employee loyalty survey. *Journal of People Dynamics* (November/December):10-12
- Leedy PD, Ormrod JE (2009) *Practical research: planning and design*. 9<sup>th</sup> ed. Pearson, Upper Saddle River NJ
- Lichtenstein DR, Drumwright ME, Braig BM (2004) The effects of corporate social responsibility on customer donations to corporate-supported nonprofits. *Journal of Marketing* 68(4):16-32
- McDermott J (2002) Employee incentives that work. *CabinetMaker* 5(16):42-44
- Mitchell C (2002) Selling the brand inside. *Harvard Business Review* 80(1):99-105
- Mullich J (2003) Get in time. *Workforce* 82(13):43-46
- Murray DW, Ayoun BM (2011) Hospitality student perceptions on the use of sustainable business practices as a means of signalling attractiveness and attracting future employees. *Journal of Human Resources in Hospitality & Tourism* 10(1):60-79
- Payne A, Christopher M, Clark M, Peck H (2003) *Relationship marketing for competitive advantage: winning and keeping customers*. Butterworth-Heinemann, Oxford
- Philpott L, Sheppard L (1992). Managing for improved performance. In Armstrong M (ed) *Strategies for human resource management. A total business approach*. Kogan Page, London, pp 98-115
- Pine II J, Gilmore JH (1998) Welcome to the experience economy. *Harvard Business Review* 76(4):97-107
- Porter ME, Kramer MR (2006) Strategy and society: the link between competitive advantage and corporate social responsibility. *Harvard Business Review* 84(2):78-92
- Serra Cantallops A (2011) *Marketing turístico*. Esic, Madrid
- Simms J (2003) HR or marketing: who gets staff on side? *Marketing UK* (July):23
- Soloman R, Hansen K (1985). *It is good business*. Atheneum, New York
- Springer J (2006) Whole foods post 22% sales growth. *Super-market News* 54(7):8
- Stake R (1995) *The art of case study research*. Sage, Thousand Oaks CA
- Tepelus CM (2008) *Destination unknown: the emergence of corporate social responsibility for the sustainable development of tourism*. Lund University, Lund
- Tourism Concern (2012) A rights-based approach to tourism development. Tourism Concern, <http://www.tourismconcern.org.uk/>. Accessed 29<sup>th</sup> March 2012
- Turban DB, Greening DW (1997) Corporate social performance and organisational attractiveness to prospective employees. *Academy of Management Journal* 40(3):658-673
- Turker D (2009a) Measuring corporate social responsibility: a scale development study. *Journal of Business Ethics* 85(4):411-427
- Turker D (2009b). How corporate social responsibility influences organizational commitment. *Journal of Business Ethics* 89(2):189-204
- UNWTO (2010) *Tourism Outlook 2010*. World Tourism Organization, <http://unwto.org/>. Accessed 29<sup>th</sup> March 2012
- Vargas-Sánchez (2010) Book review: *Destination unknown: the emergence of corporate social responsibility for the sustainable development of tourism*. *Tourism Management* 31(5):691-692
- Walters M, Dobson P, Williams APO (1996) *Changing culture: new organizational approaches*. 2<sup>nd</sup> ed. Chartered Institute of Personnel and Development, Wimbledon
- Yin RK (2004) *Case study research: design and methods*. 4<sup>th</sup> ed. Sage, Thousand Oaks CA