

SOCIALLY RESPONSIBLE MARKETING IN TOURISM AND HOSPITALITY SECTOR

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INTRODUCTION

In today's rapidly changing tourism market, it is getting more and more difficult for a destination to be competitive on the global level. Hotel companies, as well as tour operators have a very important role in creating the tourism product. Tourism companies should be able to create the tourism product whilst operating in a responsible way. With the implementation of a socially responsible business practice, tourism companies contribute to the achievement of sustainable tourism and, consequently, to the achievement of sustainable development.

Socially responsible marketing has only recently risen to prominence as a serious discipline, and its future remains desperately uncertain. Too narrow in its aims to engage management attention, too broad and unquantifiable to be taken seriously by the financial community, and just woolly enough to be exploited by charlatans and opportunists. Socially responsible marketing is important because businesses are based on trust and foresight. Establishing and keeping trust with customers, communities and regulators isn't simple and can be easily damaged or lost. To be successful in the long-term, companies need to think beyond what's affecting them today to what's going to happen tomorrow. This isn't just about addressing changes to technology or the needs of customers, but also taking into account alterations in social, environmental and governance issues.

Social responsibility is a concept whereby organizations consider the interests of society by taking responsibility for the impact of their activities on customers, suppliers, employees, shareholders, communities and other stakeholders, as well as the environment. This obligation is seen to extend beyond the statutory obligation to comply with legislation and sees organizations voluntarily taking further steps to improve the quality of life for employees and their families as well as for the local community and society at large.

The idea of CSR has gained traction within the hospitality industry. Consequently, many hospitality businesses, including Sandals and Starwood Hotels, are developing socially responsible marketing programs and strategies in an attempt to boost customer loyalty, conserve environments, reduce social problems and contribute to the development of communities. Several initiatives include the adoption of linen exchange programs, the use of environmentally friendly cleaning agents and energy conservation through the installation of energy saving devices

Oberoi hotel intends to be a significant contributor to socially responsible marketing initiatives in India by devising and implementing social improvement projects for the benefit of underprivileged communities, towns and villages. Oberoi hotels has received a number of awards in recognition of its CSR efforts. It is the vision of the Company to take up “education for the under-privileged children” as the cornerstone theme of its future Corporate Social Responsibility.

Over the years, the nature of the company's involvement with the community has undergone a change. It has moved away from charity and dependence to empowerment and partnership. The many facets of Oberoi efforts are medical and health services in the rural and semi-urban areas, sports, women's health and education, water harvesting and tribal development, relief and rehabilitation and income generation, among others.

OBJECTIVES

- To understand the benefits of socially responsible marketing in hospitality sector
- To study the effectiveness of socially responsible marketing of hotels
- The study also examines how Oberoi is integrating CSR with its business processes in the organization's journey towards business excellence.

RESEARCH METHODOLOGY

Research Design:

As I have to find the social responsibility marketing activities of Oberoi hotel. And how much it has brand image and brand equity? So, for this particular purpose to use both the exploratory and descriptive studies for my research question and objectives while conducting the research.

Data collection:

Secondary data analysis

- a) Websites
- b) Journals
- c) Newspapers and Magazine
- d) Research articles
- e) Annual report of Oberoi Hotels

CONCEPT OF SOCIAL RESPONSIBLE MARKETING IN TOURISM

“Social responsibility of business implies that the businessmen’s decisions and actions are taken for reasons at least partially beyond the firm’s direct economic or technical interest”

Social responsible marketing generally understood to be the way an organization achieve a balance between economic, environment and social imperative while they address the exception if shareholders and stakeholders. It is generally accepted that business firms have so vial responsibilities that extend well beyond what in the past was commonly referred to simply as the business economic function.

Social responsibility in marketing is important because the practice involves focusing efforts on attracting consumers who want to make a positive difference with their purchases. Recyclable packaging, promotions that spread social awareness and portions of profits that benefit charitable groups are examples of social responsibility strategies.

Social responsibility demands that marketers accept an obligation to give equal weight to profit, consumer satisfaction, and social well being in evaluating their firm’s performance. They must recognize the importance of relatively qualitative consumer and social benefits as well as the quantitative measures of sale, revenue, and profit by which firms have traditionally measured marketing performance.

Social responsibility Marketing philosophies, policies, procedures and actions that have the enhancement of society’s welfare as a primary objective.

Social responsibility allows for easier measurement than marketing ethics. Government legislation can mandate socially responsible actions. Consumer activism can also promote Social responsibility by business. Actions alone determine social responsibility and firm can behave responsibly, even under coercion. Government requirements may force firms to take socially responsible actions in matter of environmental policy, deceptive product claims, and other areas. Also, consumer, through their power to repeat or withhold purchases, may force marketers to provide honest and relevant information and fair prices. Ethically responsible behavior, on the other hand, requires more than appropriate actions; ethical intentions must also motivate those actions.

Many companies have adopted social responsibility strategies in marketing as a means to help the community or produce services and products that benefit society. For example, marketing departments may launch a campaign that encourages consumers to buy a bundle of socks versus one pair and the company in turn donates a bundle of socks to military personnel overseas or to homeless shelters in the community. As a result of such generous donations the company brands itself as socially responsible and ethical, which ultimately attracts customers who are engaged in socially responsible commitments and who want to support the welfare of the community.

Social responsibility goes hand in hand with social responsibility practices. For example, administrators, executives, and shareholders and stakeholders must practice ethical behaviors and join the community in promoting responsible marketing efforts. Putting on appearances or greenwashing, the practice of deceptively promoting environmentally friendly processes or products, indicates to customers that the company is not committed to social responsibility and can ultimately hurt the brand and the company's success. Consumers often do their research and can see through gimmicks and slogans that are not genuine.

Although an initial investment may be involved to split portions of profits or donate to those in need, social responsibility in marketing promotes a positive company image, which can significantly impact productivity and profitability favorably

In earlier times the managers in most cases had only to concern themselves with the economic results of their decisions. Today's managers must also consider & weigh the legal, ethical, moral & repercussion of each of their decisions. All companies have to ensure that their activities do not adversely affect the environment. Depletion of natural resources, like forests or ground water is a case in point. Recovery of heat or minerals from flue gases or effluents reduces pollution and the consumption of scarce resources, while saving money. Atmospheric pollution affects the health of people and so must be minimized. Laws relating to the environment should be observed both in letter and in spirit.

After a comprehensive study of competitor strategy and an internal policy review performed, a comparison can be drawn and a strategy developed for competition socially responsible marketing initiatives.

It is important that everyone involved in the tourism sector contributes to the achievement of a highly competitive tourism product that could be attractive on the global level and give a destination the possibility to compete internationally. Otherwise, the development of a sustainable tourism product would be impossible. However, the question is how to make this kind of a unique tourism product, or what does a unique tourism product consist of? The answer to this question is not easy. If we think of the tourism product as intangible, then the destination should offer something to assure the best possible experience. This brings an even greater concern to the question of what kind of product today's tourist will accept. Being aware of the growing ecological and societal consciousness of today's people, creators of the tourism product should focus more on creating a sustainable tourism product which will be sustainable in the long run.

Hotel companies as well as the tour operators have a very important role in defining and creating the tourism product. Destinations are characterized by the comparative advantage, but hotel companies and tour operators are among those creating the competitiveness of a destination. Making a tourism destination more competitive is of mutual benefit for hotel companies and tour operators as well as the tourism destination.

Sustainable tourism should make optimal use of environmental resources, respect the socio-cultural authenticity of host communities, and ensure viable, long-term economic operations, providing socio-economic benefits to all stakeholders. Sustainable tourism development requires the informed participation of all relevant stakeholders, as well as strong political leadership to ensure wide participation and consensus building. As such, a sustainable tourism product should be a product which integrates the core elements of sustainable tourism development – a product which respects the environment and society, and is economically sustainable. As a part of community oriented tourism many new concepts are evolved. Festival calendar is one such product which gives full ideas about the festivals and their history. The destination profile, destination directory and resource mapping gives good picture about the place and the wide opportunity of tourism. With the cooperation of Hotel and Resort groups, an amount of twelve and half lakhs is invested to solve the drinking water problem in the area As a part of the social responsibility aspect of Responsible Tourism, destination labour directory, study on social problems evolved in village tourism and its solution, infrastructure gap assessment, security issues in the areas and its solution were functioned.

TOURISM BUSINESS ADVANTAGES

The scale and nature of the benefits of socially responsible marketing for an organization can vary depending on the nature of the enterprise, and are difficult to quantify, though there is a large body of literature exhorting business to adopt measures beyond financial ones (e.g., Deming's Fourteen Points, balanced scorecards). A correlation between social/environmental performance and financial performance. However, businesses may not be looking at short-run financial returns when developing their socially responsible marketing strategy.

The business case for socially responsible marketing within a company will likely rest on one or more of these arguments:

Human resources:

A socially responsible marketing programme can be seen as an aid to recruitment and retention, particularly within the competitive graduate student market. Potential recruits often ask about a firm's marketing policy during an interview, and having a comprehensive policy can give an advantage. socially responsible marketing can also help to improve the perception of a company among its staff, particularly when staff can become involved through payroll giving, fundraising activities or community volunteering. HR can inform and lead in the area of CSR while supporting the business goals of an organization and through facilitating sustainable innovation.

Risk management:

Managing risk is a central part of many marketing strategies. Reputations that take decades to build up can be ruined in hours through incidents such as corruption scandals or environmental accidents. These events can also draw unwanted attention from regulators, courts, governments and media. Building a genuine culture of 'doing the right thing' within a corporation can offset these risks.

Brand differentiation:

In crowded marketplaces, companies strive for a unique selling proposition which can separate them from the competition in the minds of consumers. socially responsible marketing can play a role in building customer loyalty based on distinctive ethical values. Several major brands, such as The Co-operative Group and The Body Shop are built on ethical values. Business service organisations can benefit too from building a reputation for integrity and best practice.

Drivers:

Tourism organisations may be influenced to adopt socially responsible marketing practices by several drivers.

Ethical consumerism:

The rise in popularity of ethical consumerism over the last two decades can be linked to the rise of CSR. As global population increases, so does the pressure on limited natural resources required to meet rising consumer demand. Industrialization in many developing countries is booming as a result of technology and globalization. Consumers are becoming more aware of the environmental and social implications of their day-to-day consumer decisions and are beginning to make purchasing decisions related to their environmental and ethical concerns. However, this practice is far from consistent or universal.

Globalization and market forces:

As corporations pursue growth through globalization, they have encountered new challenges that impose limits to their growth and potential profits. Government regulations, tariffs, environmental restrictions and varying standards of what constitutes labour exploitation are problems that can cost organizations millions of dollars. Some view ethical issues as simply a costly hindrance. Some companies use marketing methodologies as a strategic tactic to gain public support for their presence in global markets, helping them sustain a competitive advantage by using their social contributions to provide a subconscious level of advertising. Global competition places particular pressure on multinational corporations to examine not only their own labour practices, but those of their entire supply chain, from a socially responsible marketing perspective.

Social awareness and education:

The role among stakeholders to work collectively to pressure corporations is changing. Shareholders and investors themselves, through socially responsible investing are exerting pressure on corporations to behave responsibly. Non-governmental organizations are also taking an increasing role, leveraging the power of the media and the Internet to increase their scrutiny and collective activism around corporate behavior. Through education and dialogue, the development of community in holding businesses responsible for their actions is growing.

SOCIAL RESPONSIBILITY IN INDIAN HOSPITALITY SECTOR

More hospitality management positions are being taken by graduates of hospitality management programs than ever before. The holders of degrees in hospitality management think of themselves as professionals entering the profession of hospitality management. Professions require specialized knowledge and skills, continuing education within the profession, and must

be good for the community and society. While professionals may receive large salaries, for an endeavor to be a “profession” it must have goals beyond high pay and be concerned with the long-term good of the company and also the community the company does business in.

The hospitality industry is made up of many companies who are run by business people. Business people who put short-term profits ahead of concern for the long-term health of the company or who make additional profits by failing to spend the money necessary to handle toxic waste or pollution resulting from the manufacturing process, are not professionals and harm the reputation of the industry as a profession. The scandalous behavior of some business leaders in the past decade has damaged the reputation of business with the community. The former “what is good for business is good for the country” has been replaced with a virulent distrust of big business.

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Corporate social responsibility requires organizations to demonstrate responsible business conduct that does no harm in the marketplace, in the workplace, in the community they operate in, and to the natural environment. The actions of business impact the local, national, and global community, so businesses have a responsibility to ensure that the impact is positive.

SOCIAL RESPONSIBLE MARKETING INITIATES TAKEN BY OBEROI HOTELS

Environment Week at our hotels

Environment Week was a great opportunity for our hotels to celebrate and commit to take up new actions to protect the environment and increase awareness of the need to preserve and enhance the environment. Read below to see our hotels; The Oberoi Vanyavilas, Ranthambhore, The Oberoi Cecil, Shimla, Trident, BandraKurla, Mumbai and The Oberoi Grand, Kolkata celebrate the environment week in a grand way.

Go Green Week at the Oberoi Grand, Kolkata

During the “Go Green Week” drive at The Oberoi Grand, Kolkata, the hotel invited Priyanka Welfare Society, to display their products in the staff dining area and encouraged team members to buy 100% eco-friendly and biodegradable jute products like slippers, bags, handicrafts.

Green Week at The Oberoi Vanyavilas, Ranthambhore

Green week at The Oberoi Vanyavilas, Ranthambhore was celebrated from 5th June till 10th June. Employees and few guests along with their children planted a sapling each to mark the commencement of the week.

Chefs also contributed their bit by preparing a delicious menu made entirely from the green vegetables picked from the in-house herb garden. Team members from all departments participated in a quiz competition on environmental issues. Even the contract workers were made aware of their contribution to the environment through a presentation and a poster making competition.

The event concluded with a Black out hour, where all departments switched off their lights for one hour.

Environment week at The Oberoi Cecil, Shimla

The Oberoi Cecil, Shimla organised environment week commencing 1st June 2012. During the week theme based poster campaigns were conducted with fact files on various environmental issues. Quiz competitions were organised each evening on issues pertaining to protecting and preserving the environment. “Inconvenient Truth” a film by Al Gore on global warming was screened for the team. The week concluded with a 'Tree plantation' activity by the team members.

Environment week at Trident, BandraKurla, Mumbai

Environment week at Trident, BandraKurla, Mumbai started on 5th June with the screening of Leonardo Di Caprio's documentary on Global Warming, the 11th Hour.

A plant exhibition and sale was set up for team members on day two of the week. A percentage of the proceeds from the sale were given to the NGO, St. Catherine's School for Destitute Children.

The team visited St. Catherine's School and conducted a workshop for the kids on how they can contribute in saving the environment. The Kids were then handed recycled paper bags and had to draw an image on them with the theme- 'Save the environment'.

In the activity, 'Green Click', team members submitted photo entries through the week on the theme, 'Saving the environment'. A slideshow of all the entries was held in the staff cafeteria, winners walked away with green potted plants.

The internal newsletter, Connect went green in April. To celebrate this initiative, E-connect Day was organized. Earth hour was also observed from 7 p.m. - 8 p.m. across the hotel where porch lights were turned off for an hour and in back areas lights were dimmed by 50%.

Some ingenious activities organized were, the floral display across the hotel was made green, and guests at the Sunday Brunch were given a complimentary plant.

Online activities

A list of 9 innovative ways to save the environment was created and posted on facebook. Fans were asked to provide their most creative idea as the 10th point to complete the list. The winner of the contest won a candle-light meal for two at the Italian restaurant, Botticino on the same day.

Apart from the contest, regular updates on the activities conducted within the hotel were constantly posted on the page.

CSR Initiatives towards underprivileged sections of the society

The Oberoi Grand, Kolkata's CSR philosophy is driven by a belief to make the world a better place. The hotel conducts a number of activities round the year to fulfill this commitment.

The Oberoi Grand, Kolkata works closely with SaradaSevaSangh, a public charitable trust. The organization's primary responsibility is the betterment of rural women. They encourage women to make handicrafts and embroidered products. The trust receives a share of linen and uniforms from the hotel. In addition they are allowed to set up display counters of their items in the hotel

lobby three times a week. The items are available for guests to purchase and the proceeds of the sale go to the organization.

The Oberoi Grand, Kolkata is also associated with PurbachalUdayan Sangha, - an organization which works towards upliftment of slum dwellers in Kolkata. This organization specially focuses towards victims of natural calamities and urbanization. The Oberoi Grand, Kolkata lends its support by making a one-time monetary contribution of Rs. 50,000/- that meets the expenses towards books and medicines for the children and women of the slum dwellers. Twice in the year a contribution of 250-300 food packets prepared by the hotel is distributed amongst the slum dwellers.

The hotel also supports Kalyanbrata Sangha, a charitable body affiliated to Ramakrishna Mission, Howrah. This NGO works with a large section of poor rural population in Uluberia, Howrah setting up educational units from Primary to Higher Secondary, charitable dispensaries, hostels and cottages for orphans and destitute children and old age homes. The Oberoi Grand, Kolkata supports by giving discarded throw quilts, bedcovers and bed linen to help them during the cold winter months.

CONCLUSION

Short-term profits at the expense of the environment and society are short sighted. For business to be sustainable, the triple bottom line, which measures economic, environmental, and social profits and losses, must be embraced by all of business. Social and environmental problems created by business can be solved by business, but it requires a commitment by business and all stakeholders to consider the social and environmental consequences of unsustainable activity alongside their economic imperative.

From the external marketing point of view, a greater market share and an improved overall image to stakeholders are what tourism businesses are concerned about. Although evidence on 'green demand' and 'green consumerism' is inadequate and current consumer awareness of CSR is relatively low, business-to-business marketing based on CSR still holds a promising future. There are several possible marketing channels for a firm to promote its responsible behaviors to its target market. Tourist boards, guidebooks, and the media such as newspapers and travel magazines are possible marketing channels to publicize the firm's responsible business.

In sum, social responsibility and ethics are relevant and important issues to be addressed by the fast growing Hotel and tourism business. What is probably lacking is a driver for the Hotel and tourism business to begin addressing at least some of its SR and ethical issues. The driver could be in the form of government incentives and/or regulations, the details of which

are beyond the scope of this chapter. Nevertheless, addressing social responsibility and ethical issues is important for the Hotel and tourism business's own sustainability.

If Oberoi adopt and integrate CSR into their organizational strategies, they can facilitate innovativeness, increase and/or improve their organizational competitiveness, while at the same time contributing to solving problems in society that may arise. There was overall agreement that while charity is good, it is best to choose CSR activities that are related to the strategies and goals and objectives of the individual organizations and that the CSR activities be good for the Oberoi and all of the stakeholders. Corporate Social Responsibility activities should not be pasted on but are, instead, integral to the long-term success of the company. Business and society are dependent upon each other and both must be healthy or neither will thrive into the future.

SUGGESTIONS

In making decisions, management, should consider environmental outcomes, which limit and/or reduce the impact of operations on the natural environment. Hotel's management need to implement responsible measures because of high cost associated with electricity consumption for heating/cooling, lighting, cooking, etc., which levies pressure on local resource and increase costs. Thus, the impact on the total cost consumption of a hotel from energy conservation measures is strong and more direct.

Consumers are progressively more concerned with how companies make their money and are expecting businesses to engage in responsible activities that will limit, as well as lessen their social, ethical, and environmental impacts on society and the community. That travel-savvy consumers are more environmentally aware and that having environmental and social programmes in place are a consideration in selecting accommodation.

Furthermore, any socially responsible marketing program must involve the employees in order to achieve success. It's not enough for senior management to devise new ways to engage customers, to make these programs work; they must involve employees at all levels. This means ensuring that everyone in the company is informed about CSR policies and practices and are involved in implementing them.

As there are myriad of green initiatives within the industry, future research may focus on green practices that can be employed by hotels which provides greater insights to the literature of hospitality and sustainable development. CSR is an important societal issue to stakeholder theory and it is found that it improves employees' morale, loyalty, retention rates and satisfaction. Thus, studying the commitment level of hotel employees to conserve the environment and how they perceive the hotel's socially responsible marketing initiatives are crucial. As suppliers are also

one of the stakeholders, understanding how hotels team up with them to exert green marketing within the value chain would also be another direction for future research. Other than that, the number of budget hotels in the country is rising meaningfully from time to time parallel with the progress of the tourism sector. The demand for budget hotels has been extraordinarily increasing as tourists generally control their budget for accommodation.



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