The Contribution of Corporate Social Responsibility to Hotel Profitability in Zimbabwe: Hoteliers' Perspectives

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ABSTRACT

The hotel sector in Zimbabwe shows evidence of corporate social responsibility (CSR) implementation. The contribution of CSR to hotel profitability, however, is a neglected, yet important stream of research, a gap which this study sought to close. The study used a qualitative methodology where a sample of 30 participants was purposively selected from 4-star and 5-star hotels in Harare. Thematic analysis as well as simple frequencies were used for data analysis. The findings revealed that generally, hotels in Zimbabwe are engaging in CSR initiatives which include philanthropic, human resources and environmental initiatives. Notably, hoteliers were of the view that CSR initiatives contribute immensely to hotel profitability. Philanthropic initiatives were found to enhance hotel room occupancy by creating a positive image of the hotel, attracting socially responsible guests, and potentially increasing bookings. Environmental initiatives were seen to increase revenue per available room (RevPAR) by promoting cost savings, operational efficiencies and improved brand reputation. Human resources initiatives were found to drive hotel room occupancy through the employment of well-trained and motivated individuals who facilitate exceptional guest experiences. On their part, hotels should enhance their public relations efforts, offer various volunteer initiatives and also draw attention to CSR activities in their annual reports. This will go a long way in promoting a corporate world that is not only more responsible, but also meets stakeholder expectations.

Keywords: corporate social responsibility, hotel profitability, hotelier's perspectives, philanthropic initiatives, environmental initiatives, human resources initiatives

Introduction

Corporate social responsibility (CSR) has grown in popularity in the hotel industry in recent years, as companies recognise the necessity of social and environmental responsibilities in addition to financial performance. Adopting CSR requires hotels to connect their operations with ethical ideals, sustainable practices and community engagement (Khodaviren & Dhar-Bhattacharjee, 2024). This strategic approach not only meets societal expectations, but also helps to increase long-term profitability by improving brand reputation, loyalty and operational efficiency (Barauskaite & Streimikiene, 2021). Integrating CSR initiatives into the hotel business can result in a variety of benefits, including higher client satisfaction, enhanced employee morale, and cost savings through resource efficiency. However, the specific impact of CSR on hotel profitability, particularly from the standpoint of hoteliers, remains a focus of research in the tourist industry. Studies have revealed a growing interest in understanding how CSR policies affect financial outcomes in hotels, as well as the methods by which these programmes provide value for both businesses and society (Babajee *et al*., 2022; Alatawi *et al*., 2023). This study contributes to the existing body of literature

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on CSR in the hospitality industry in Zimbabwe by investigating the contribution of CSR to hotel profitability from the perspectives of hoteliers themselves.

Background of the Study

CSR is of vital importance in today's business scene, and has gained universal support among both major hotel chains and small businesses, globally (Yu *et al*., 2022). Organisations across the world embrace CSR for a variety of reasons, with some motivated by charitable intents and others by external causes such as stakeholder pressure, government restrictions, or societal expectations. Nonetheless, stakeholders' perceptions of participating in CSR programmes vary. While some view CSR as a significant boost to organisational financial success, others perceive it as a potential drag on hotel performance in financial terms (Babajee *et al*., 2022). According to González-Rodríguez *et al*. (2019), CSR practices are regarded as one of the most critical success factors which directly influence hotel profitability.

However, empirical research into ways in which CSR activities are integrated into a firm's operations has predominantly been conducted in developed countries. Research on the contribution of CSR to hotel profitability in Europe has yielded several key findings. Tunio *et al*. (2021) underscored the importance of CSR in enhancing staff development and community involvement, both of which can lead to better hotel performance. According to León-Gómez *et al.* (2022), CSR can operate as a mediator in the relationship between ICT adoption and hotel performance, particularly in small and medium-sized firms (SMEs). Xu *et al*. (2022) emphasised the importance of CSR in encouraging pro-environmental behaviour among hotel staff, with a focus on decarbonisation. However, Ghanbarpour and Gustafsson (2022) argued that so far there is very limited understanding of the effects of CSR on hotel profitability. Researchers have questioned the manner in which engagement in CSR results in positive outcomes for organisations. This argument may be further extended by acknowledging that there is still limited knowledge in relation to the contribution of CSR activities to the profitability of hotels (Babajee *et al*., 2022).

In Asia, studies by Shin *et al*. (2021) and Gajadhur (2022) revealed unfavourable findings on the impact of CSR on hotel profitability in developed countries. Shin *et al*. (2021) explicitly found that hotel CSR initiatives had a detrimental influence on firm market value and customer booking behaviour during the COVID-19 pandemic. Gajadhur (2022) emphasised the lack of progress in CSR adoption in poor nations, implying that the link between CSR and firm performance may be weaker than previously imagined. These findings call into question the widely held view that CSR improves hotel profitability in industrialised countries.

Notably, research in Africa has consistently demonstrated a correlation between CSR and hotel profitability. However, Bello *et al*. (2017) observed that not much is known about how CSR contributes to hotel profitability, especially in developing nations. Babajee *et al*. (2022) found that CSR initiatives improve financial

success, especially in fast-growing hotels. This association is mediated by growth potential, implying that fast-growing hotels are better positioned to participate in CSR initiatives. Fatoki (2021) established a beneficial link between sustainable leadership and the hospitality organisations' financial, social and environmental performance. Ode-Ichakpa *et al*. (2020) emphasised the value-creation side of CSR, notably in Nigeria, with implications for the larger African context.

Empirical evidence indicates that hotels in Zimbabwe are also engaging in CSR initiatives (Mapingure *et al*., 2015; Taru & Gukurume, 2013; Mandimika *et al*., 2013). However, the aforementioned studies have not focused on the contribution of such initiatives to hotel profitability. Mandimika *et al*. (2013) established that 67% of participants from Zimbabwean hotel groups directed their contributions to CSR initiatives such as donations to churches, schools, healthcare institutions and government bodies. The study focused on factors that influence accommodation and lodging companies in the implementation of CSR initiatives. Existing research largely focuses on CSR initiatives being undertaken by tourism and hospitality firms. Maphosa (1997) focused on the extent to which firms in the tourism and hospitality sector report CSR initiatives. Further, Nyahunzvi (2012) focused on the nature and adequacy of CSR reporting by Zimbabwe's accommodation and lodging industry. Taru and Gukurume (2013) focused on CSR initiatives carried out by tourism industry organisations, drawing lessons from communities surrounding the Great Zimbabwe Monument. Mapingure *et al*. (2015) assessed CSR practices in tourism-related businesses using a case study of hotels in Nyanga.

Research on the impact of CSR on hotel profitability appears to be limited in Zimbabwe. According to Nyahunzvi (2012), hotel enterprises in Zimbabwe prioritise financial performance over social and environmental considerations in their CSR disclosures. Nyahunzvi (2012) further opined that for Zimbabwean hotels, CSR activities are secondary considerations. Nord (2017) highlighted the dearth of literature on the hospitality industry, notably in Zimbabwe. The purpose of the current study, therefore, is to examine hoteliers' perspectives on the relationship between CSR practices and hotel profitability in Zimbabwe.

Literature Review

An Overview of Corporate Social Responsibility

The term, 'corporate social responsibility' (CSR), has multiple meanings (Crowther & Seifi, 2018; Chandler, 2014). According to the stakeholder theory, a business is a social entity that should evaluate the impact of its actions on individuals, communities and society as a whole. Notwithstanding the fact that CSR has its roots in concepts such as charitable contributions as well as codes of ethics dating back to the 1920s, there is, however, no comprehensive definition of this concept. Boso *et al*. (2017) and Awuah *et al*. (2021) used this term to refer to the ethical considerations that influence business decisions on communal contributions to stakeholders. CSR represents an ethical way in which a business can strengthen

its relationship with the community, resulting in positive society change. This is achieved through initiatives that engage the community in mutually beneficial areas such as environmental conservation, financial support (ElAlfy *et al*., 2020) and community service.

According to Dodds and Joppe (2009), corporate social responsibility is a process that seeks to ensure high standards in a company's conduct, at the same time striving to positively influence the environment, customers, staff, local communities, stakeholders and individuals who may have a vested interest. Similarly, Yuan *et al.* (2019) argued that corporate social responsibility is a company's commitment to ideals that benefit both the community and the company's shareholders. This implies that CSR includes environmental sustainability, fair trade, volunteer work, charitable donations and other philanthropic activities, as well as a commitment to engage in ethical business relationships with consumers, employees and business partners.

In the hotel sector, it is common practice to embrace the triple bottom line (TBL) sustainability framework, which assesses a business's performance in three key areas, namely, social issues, environmental issues and financial profitability. The goal is to ensure that hotels fulfil their societal obligations, as societies' expectations of companies continue to evolve. According to Yu *et al*. (2020), many businesses have realised that customers expect them not only to act legally, but to be also socially responsible. It is critical to realise that hotels are under immense pressure to meet the constantly evolving expectations and needs of customers, stakeholders and surrounding communities.

Hotels are responding through implementing a creative approach focused on three pillars: ensuring long-term profitability, decreasing environmental impact, and reconciling these goals with the needs and expectations of all stakeholders (Kamanga & Bello, 2018). This reflects the TBL concept, which measures not just earnings, but also a company's social and environmental impact. The current study used Dodds and Joppe's (2009) definition of corporate social responsibility as a process that seeks to ensure the quality of a firm's conduct, and positively impact the natural environment, employees, local communities, and broader stakeholders.

Hotel Corporate Social Responsibility Initiatives

CSR initiatives in the hotel sector vary, with some hotels prioritising 'green' accommodation while others prioritise community concerns such as contributions to charity organisations, paying workers appropriately, and upholding workers' rights. Taslidža (2009) argued that the CSR concept was derived from business ethics, with an emphasis on preventing all forms of discrimination, fostering good working conditions, and expanding externally to participate in value proposition as well as societal well-being and charitable contributions. Mandimika *et al*. (2013) reported that, based on annual reports, corporations support community

education programmes, healthcare systems, institutions for the elderly and sports activities as part of their CSR initiatives.

Bill's 2012 study in Ghana found that hotels have endeavoured to improve the living conditions of guests, as well as the quality of hotel environments. This demonstrates that host communities can benefit from both company activity and environmental sustainability. van de Mosselaer *et al*. (2012) contended that the lodging sector primarily deals with the management of natural resources, buying locally to decrease economic leakages, enhancing labour standards and, in specific places, combating child-sex tourism. Owing to a shift in society's expectations with regard to the role of businesses, hotels are now adopting the TBL concept as a means of fulfilling their societal duty. Yu *et al*. (2022) opined that many businesses have learned that customers expect them to be socially responsible in addition to respecting the law. It is significant to note that hotels are not only struggling with evolving customer preferences, but also with shifting stakeholder expectations.

Consequently, the European Federation of Food and Agriculture and Tourism Trade Unions (2021), along with European establishments in the hospitality sector, have formulated a set of standards. These standards address equal opportunities, anti-discrimination practices, working conditions, equitable compensation, vocational training, continuous learning, occupational health and safety, and the dynamics between employers and staff across all hierarchies. These coordinated measures demonstrate the industry's adoption and participation in socially responsible conduct, rather than externally determined behaviour. Other projects such as 'green' hotels have gained popularity in how the hospitality industry is addressing society's environmental concerns. In this vein, the Green Hotels Association focuses on programmes designed to conserve water and electricity, while simultaneously reducing solid waste. For more than a decade, elements of these programmes such as towel rack hangers and sheet-changing cards have received positive feedback from both hotel management and guests (Green Hotels Association, 2015).

In contrast, most firms in Sri Lanka do not follow any national or international CSR benchmarks, and they define CSR as activities such as sponsorship of sporting events, charitable donations and other social initiatives (Kumar, 2019). Indeed, in many developing nations, CSR is largely perceived as philanthropy, as evident in examples like Tata in India, large banks in the Middle East, and enterprises in Bulgaria (Hopkins, 2016; Iankova, 2018).

In the case of Thailand, the government does not monitor business labour standards owing to inadequate resources to oversee this task. It primarily relies on international firms that set their own labour standards (Boris *et al*., 2018). The absence of a positive government-business partnership can hinder CSR efforts. In the case of Vietnam, global CSR issues such as labour rights, fair wages and discrimination have not received appropriate attention from the government and

corporations (Ferrell *et al*., 2019). In contrast, the Brazil government supports and helps the corporate sector, particularly pharmaceutical companies, mainly through the provision of AIDS medications at lower market pricing (Droppert & Bennett, 2015). In South Africa, adult literacy is a major challenge, and many firms are addressing it through corporate social responsibility (Arumugam & Minida, 2020). Generally, CSR activities are thought to be more effective when a company pays greater attention to issues impacting female employees, such as gender-sensitive practices and sexual harassment.

The overarching findings of scholarship on the tourism and hospitality industry reveal that over the last decade, socially responsible behaviour has received increasing attention from hospitality and tourism organisations and associations. Further, it has gained greater exposure through public domain media channels. In addition, socially responsible programmes have a strong connection to the broader corporate social responsibility initiatives taking place the world over.

Corporate Social Responsibility and Hotel Profitability

Wang and Bian's (2022) study examined the relationship between CSR and environmental performance, utilising 415 Chinese SMEs as a case study. The findings show that CSR has a direct and significant impact on the performance of the environment (EP). Moreover, it is positively correlated with environmental strategy (ES) and environmentally beneficial results (EO), both of which improve the environment's performance. The results imply that both ES and EO play an important mediating role between CSR and EP.

Babajee *et al*. (2022) examined, between 2007 to 2018, the causal relationship between CSR activities and corporate financial performance, using a sample of 43 Mauritian hotels. The study, based on a dynamic panel vector autoregressive model (PVAR), provides in-depth insights into the CSR financial performance model. In line with established theories, there is a positive correlation between CSR and the firm's financial performance. In the Spanish context, Mariño-Romero *et al*. (2020) examined the relationship between CSR and firm performance, and how this relationship is impacted by variables such as Green Human Resource Management (GHRM) and environmental outcomes. A sample of Spanish hotel firms was subjected to variance-based structural equation modelling (partial least squares). The findings indicate that there is a direct and positive relationship between CSR and firm performance. Mariño-Romero *et al*. (2020) used marketing variables to examine the relationship between CSR policy implementation and its impact on revenue per available room (RevPAR) in Spanish hotels. The study employed a quantitative design which comprised an online survey of 230 hotel managers across Spain. The structural model analysis results suggest that CSR has substantial influence in comprehending how marketing factors and RevPAR work.

Teanpitthayamas *et al*.'s (2021) study on CSR practices and hotel performance involved surveying 402 hotel owners and executives in Thailand. The findings

indicated that both ongoing and completed CSR initiatives had a positive influence on hotel performance. Similarly, Kim *et al*. (2020) examined how multidimensional CSR activities affected business image, customer citizenship behaviour (CCB), and long-term relationship orientation. Their findings revealed that various dimensions of CSR — economic, ethical, legal and philanthropic — improved business image and CCB, which in turn benefited customer relationships. Sameer (2021) investigated the relationship between CSR disclosure and financial performance in Maldivian public enterprises. Findings from this longitudinal study, conducted from 2014 to 2018, indicated a substantial negative relationship between CSR and return on assets (ROA), environment and return on equity (ROE), as well as diversity and earnings per share (EPS). These results demonstrate an adverse correlation between CSR and financial performance when business size is considered.

Although the hotel industry is gradually adopting CSR programmes, the majority of these cases are in developed nations, as previously indicated. Zimbabwean hotels offer little data on social and environmental responsibility, preferring to focus more on economic responsibility. Of interest is the fact that studies by Mapingure *et al*. (2015), Taru and Gukurume (2013), and Mandimika *et al*. (2013) indicate that Zimbabwean hospitality and tourism firms do conduct CSR initiatives. The question, however, remains: What is the contribution of these CSR initiatives to hotel profitability?

Methodology

This study, conducted between August 2019 and November 2023, adopted an interpretivism research philosophy and employed a qualitative research methodology to explore the views of hoteliers on the contribution of CSR to hotel profitability. A descriptive survey design was adopted, and the study's target population included all managers of 4-star and 5-star hotels located within a 5 km radius of Harare's central business district (CBD). Thirty hotel managers were purposively selected for the study, due to their direct role in executing CSR activities within their enterprises. The population included all sustainability officers or experts in charge of establishing and implementing hotel sustainability plans. A structured interview guide, with two sections, was used to collect data. The first section investigated CSR initiatives implemented by hotels, while the second investigated the contribution of CSR to hotel profitability. Thematic analysis was used to present, analyse and interpret the data. Simple descriptive statistics, in the form of frequencies, were also used to quantify data on the views of hoteliers. Selected quotations from survey participants were used to illustrate and contextualise hoteliers' perspectives.

Analysis and Discussion of Findings

CSR Initiatives Implemented by Hotels

Hotel managers provided information on the CSR initiatives being implemented by their hotels. The study established that most hotels are implementing CSR

activities across three significant thematic areas. The first thematic area focused on philanthropic activities — donating food and clothes to vulnerable groups in society, sponsoring sporting activities and scholarship programmes, and engaging in clean-up campaigns and HIV/AIDS awareness and other wellness programmes. The second theme focused on human resources — employing locals and people living with disabilities, and providing fair wages to employees. The third theme's focus was on environmental initiatives which include purchasing from local suppliers, recycling and/or reusing, using energy and water efficient technologies as well as organic products. Table 1 illustrates the percentage of hotel CSR initiatives under each thematic area.

Table 1: Hotel CSR initiatives

CSR Initiatives	**Accept (%)**	**Reject (%)**
Theme 1: Philanthropic initiatives		
Donations of food hampers and clothes to vulnerable and marginalised communities	84%	16%
Sponsorship of sporting events	71%	29%
Clean-up campaigns	53%	47%
HIV/AIDS awareness and wellness programmes	69%	31%
Theme 2: Human resources initiatives		
Employment of individuals from the local community	90%	10%
Employment of individuals living with disability	73%	27%
Provision of fair wages to employees	53%	47%
Theme 3: Environmental initiatives		
Buying locally	90%	10%
Recycling and reusing	27%	73%
Adoption of energy and water efficient technologies	90%	10%
Use of organic ingredients	73%	27%
Use of eco-friendly cleaning detergents	91%	9%

Philanthropic Initiatives

The vast majority of participants stated they believed it is their responsibility to assist communities in need. In the words of one participant: "We donate old sheets and blankets to children's homes throughout the city". These findings corroborate the studies by Mandimika *et al*. (2013) and Mapingure *et al*. (2015), which established that hotels take interest in community problems and provide the much-needed help to alleviate poverty-related suffering and improve the quality of life for the less fortunate.

As established by the current study's finding, most hotels sponsor athletic events. This is confirmed by one study interviewee, who asserts that:

> As a hotel, we sponsor sporting activities for our workers. We actually have what we call an annual sports day for hotel employees. Our employees compete in various sporting disciplines. Remember, we have sister hotels in Botswana and South Africa who also engage in similar activities. It's quite interesting.

This is in line with the views of Mattera and Melgarejo (2012), who note that sponsoring sporting events is part of the social support which hotels offer to communities and employees.

This study's findings indicate that hotels were involved in clean-up campaigns as a CSR initiative. One participant narrated as follows:

> We are involved in clean-up campaigns as we believe that it is our responsibility to help society keep our surroundings clean. We also support the national cause initiated by the President, which involves setting aside every last Friday of the month for the cleaning up of surrounding areas.

These findings resonate well with those of Yu *et al.* (2019) who found that management teams, across all 12 Chinese hotels studied, viewed trash removal as a voluntary initiative that contributes to environmental protection. However, these findings were not consistent with those of Efiong *et al*. (2013), who observed that small hotels in Nigeria did not prioritise clean-up initiatives. The observed contradiction of findings may be attributed to differences in contexts, regulatory frameworks, environmental awareness, and capacity of firms across nations. These differences influence the extent to which hospitality establishments prioritise voluntary environmental initiatives like waste management practices.

Furthermore, the majority of respondents indicated that they participate in HIV/AIDS awareness and wellness programmes. This is motivated by an awareness of the impact HIV/AIDS has had on society and, ultimately, the hotel sector. In addition, hotels also conduct these CSR activities to ensure their employees' general well-being. These findings are consistent with those of Yu *et al*. (2022) who advocated for boosting employee well-being and assisting the less fortunate.

Human Resources Initiatives

This currently study established that 90% of respondents employed local people, while 10% indicated otherwise. One participant stated:

> We believe that employing local people is one way of showing an appreciation of communities within which hotels operate. The other reason is that employing locals helps in enhancing the quality of life of the host communities. With high unemployment rates, management feels that hiring locals helps to reduce unemployment, a remedy for human suffering around the world.

The findings are consistent with those of Namatovu (2022) who reported that hotels demonstrate concern for local community issues and actively seek to reduce poverty and unemployment.

Moreover, the current study established that the majority of hotels promote inclusivity and social equality by employing people living with disabilities. These findings correspond with those of Mattera and Melgarejo (2012), whose research on NH Hotels highlighted that the corporation values equality among its employees, as also evidenced by its equality certification. Individuals with impairments, or young people at risk of social marginalisation, are accommodated in hotels and other hospitality and tourism businesses. These findings are consistent with those of Yu *et al*. (2022), who suggested that promoting employee well-being, and assisting less fortunate staff are popular forms of employee support in Chinese hotels.

Fifty-three percent of respondents from the current study indicated that they provide fair wages and salaries for their staff, while 47% indicated otherwise. The majority believe that fair remuneration makes employees more loyal to the organisation, resulting in lower labour turnover. It could also be that managers believe they have a responsibility to improve employees' well-being, hence the fair monetary rewards. This aligns with the findings of Yu *et al*. (2022) who found that more than 50% of surveyed hotels identified improving salaries and employee benefits as the most preferred approach to demonstrating employee care. However, participants from hotels that paid poor wages concurred with Rusike and Chitambara's (2012) findings that a monthly income of US$175, the then minimum compensation in the hotel industry, was insufficient, given that the then poverty datum line was around US$576. As aptly captured by one respondent: "The wages are not fair to our employees".

Environmental Initiatives

Eighty-nine percent of respondents indicated that they buy from local suppliers, most likely an indication that the majority of hotel customers consume healthy products. Locally-grown produce is deemed healthy as it is predominantly organically farmed. Another explanation could be that local produce is cheaper, and is thus ideal for cost-cutting purposes. These study results echo those of Zientara and Bohdanowicz (2008), who found that purchasing locally-grown foods lowers transportation-related carbon dioxide pollutants as well as expenses. Heung *et al*. (2016), on the other hand, proposed that local goods tend to reduce the quality of the final product.

Furthermore, 73% of respondents indicated that they do not recycle or reuse products, whereas 27% are engaged in these environmental initiatives, mainly through recycling old linen, paper and plastic. The perception of recycling as a costly programme is a possible reason why the majority of surveyed hotels are not engaged in this environmental initiative. The reluctance, particularly among developing nations, to participate in activities not fully understood is another possible explanation. The findings are consistent with those of Amo-Mensah (2019), who found that only 17% of the hotels studied in Ghana were engaged in recycling initiatives. However, Bohdanowicz (2015) noted that a hotel's level

of growth influences its commitment to environmental initiatives. This view is corroborated by the fact that 80% of hotels in Sweden and 30.6% of hotels in Poland have active waste sorting and recycling programmes (Bohdanowicz, 2006).

Additionally, study results show that 90% of respondents confirmed using water and energy saving technologies, while 10% indicated otherwise. The adoption of energy and water efficient technologies is motivated by the need to reduce hotel expenditure which is dominated by these costs. Reducing energy and water use promotes sustainable resource management. The findings align with those of Mattera and Melgarejo (2012) and Yu *et al*. (2020), who established that lowering water and energy usage is the most regularly performed activity in hotels. In line with this, another participant noted: "We installed low-flow fixtures in most of the bathrooms".

One participant highlighted the importance of routine maintenance and timely repairs of water systems to cost reduction and positive environmental impact. However, hotels that do not adopt water and energy saving technologies may have been aware that the installation of such systems incur substantial expenses. This is supported by Bohdanowicz (2015) who argued that the financial efficacy of adopting green technologies or systems in European hotels is often undermined by the expenses incurred.

Seventy-three percent of study respondents acknowledged using organic products, which are viewed as posing less health concerns and are often acquired from local suppliers, thereby benefiting the local economy. This is mirrored in Williady *et al*.'s (2022) study which found that resort hotels in Bali source 80% of their food from organic gardens and local farms. Furthermore, the findings of the current study indicate that 91% of respondents confirmed their use of environmentally friendly detergents. This is indicative of the fact that the majority of hotels are concerned about the well-being and security of employees and the communities in which they operate. The need to comply with Zimbabwe's health and safety standards is arguably another motivating factor behind the adoption of products that are beneficial to individuals as well as the environment. The current study's findings are consistent with Williady *et al*. (2022), who contended that hotels can limit hazardous waste output by solely purchasing ecologically friendly and biodegradable cleaning products.

Contribution of CSR Initiatives to Hotel Profitability

To analyse how CSR initiatives in Zimbabwean hotels contribute to profitability, the study explored the potential financial impact of environmental initiatives through energy and water efficiency, philanthropic initiatives through increased market share, and human resources initiatives that foster a positive reputation. The study established that specific statistics for hotels in Zimbabwe are not readily available. However, hotel managers provided general insights into how

these initiatives can lead to improved financial performance. Three key themes emerged from the findings:

1. Philanthropic initiatives increase hotel room occupancy through increased market share.
2. Environmental initiatives increase hotel revenue per available room (ReVPAR).
3. Human resources initiatives increase room occupancy by fostering a positive reputation.

Table 2: CSR initiatives and their contribution to hotel profitability

Variable	Disagree	Not sure	Agree
Philanthropic initiatives increase hotel room occupancy	21%	10%	69%
Environmental initiatives increase hotel revenue per available room (RevPAR)	11%	7%	82%
Human resources initiatives increase room occupancy	14%	21%	65%

Philanthropic Initiatives and Room Occupancy

Table 2 presents findings on the contribution of philanthropic initiatives to hotel room occupancy. The majority of participants (69%) believed that philanthropic initiatives help to enhance hotel room occupancy, an indication of a favourable impression of corporate social responsibility (CSR)'s impact on hotel profitability. This could be attributed to a variety of factors, including an improved company image, increased consumer loyalty, and favourable word-of-mouth marketing generated by philanthropic initiatives. On the other hand, it is worth noting that a sizable portion (21%) of participants disagreed with the idea that philanthropic activities contribute to increased room occupancy. This alternate perspective could be attributed to scepticism regarding the direct impact of CSR programmes on financial success, or a lack of strong causal linkages between philanthropy and revenue generation in the hotel sector. The 10% who expressed uncertainty on the association between philanthropic activities and hotel room occupancy may reflect participant response ambiguity, or lack of awareness of this causal link.

In support of the 69% of respondents who perceive a positive causal link between CSR initiatives and hotel profitability, one participant stated:

> I believe that philanthropic initiatives create a positive image for the hotel, attracting guests who value social responsibility. I have seen a direct correlation between our charity events and an increase in room bookings. I would estimate that our occupancy has increased by at least 5% due to these initiatives.

The participant's response reveals that philanthropic programmes had a perceived favourable influence on hotel room occupancy, with estimated increases ranging

from 5% to 7%. The findings are consistent with Wang's (2017) notion that CSR initiatives might promote customer loyalty and attract environmentally concerned guests, perhaps leading to higher room occupancy rates. The findings validate the sentiments of Wang and Bian (2022), Babajee *et al*. (2022), Mariño-Romero *et al*. (2020) and Kim *et al*. (2020) who theorised that profitability is the most important consideration in adopting CSR initiatives. However, philanthropic endeavours may not be the only mediating variable impacting room occupancy levels. Marketing initiatives, customer service quality, location, competitive pricing and overall guest experience, may all contribute to higher hotel occupancy rates.

Environmental Initiatives and Hotel Revenue per Available Room (RevPAR)

Table 2 presents the findings on environmental initiatives and hotel revenue per available room (RevPAR). These findings suggest a strong consensus among participants regarding the positive impact of environmental initiatives on hotel RevPAR. The majority (82%) indicated that environmental initiatives can increase RevPAR, reflecting a recognition of the financial benefits associated with sustainability practices within the hotel industry. These findings are similar to those of Franco *et al*. (2020) who identified a link between sub-environmental initiatives and financial performance within the hospitality sector.

One study participant, supported the positive impact of environmental initiatives, by stating:

> RevPar for this hotel was primarily fuelled by cost saving initiatives. We recently installed a 300 KVA solar plant which is reducing reliance on Zimbabwe's national grid by an average of 40%. Somehow, our revenue also grew to 126% in 2023, and this was largely driven by growth in room occupancy.

These views demonstrate that environmental actions can result in cost savings, operational efficiencies, improved brand reputation and increased guest loyalty, all of which can contribute to higher RevPAR. Energy-efficient measures, waste reduction programmes and water conservation efforts, for example, can all lead to lower utility bills, which benefit the bottom line. Furthermore, consumers place a higher value on environmentally conscious companies and are prepared to pay a premium for sustainability, which can result in higher room rates and occupancy levels for hotels that embrace green activities.

Human Resources Initiatives

As indicated in Table 2, the study's findings show that 65% of participants indicated that human resources initiatives positively impact hotel room occupancy, emphasising the value of well-trained and motivated employees who contribute to outstanding guest experiences. This is consistent with the views of Sandua (2023) who reinforced the critical role of employees in the hospitality business, particularly in terms of visitor satisfaction, loyalty and overall hotel performance. Furthermore, Jawabreh *et al*. (2020) have demonstrated that the quality of service provided by hotel staff influences client views and decisions to book and stay at a

hotel. Well-trained and engaged personnel may provide a great and memorable visitor experience, resulting in repeat business, positive online reviews and referrals, all of which can increase room occupancy and revenue.

Conclusion

The study established that hotels in Zimbabwe are engaged CSR initiatives under philanthropic, human resources and environmental themes. From the perspectives of Zimbabwe's hotel managers, CSR initiatives contribute to increased hotel room occupancy, increased RevPAR and a positive reputation. Hotel room bookings, and ultimately occupancy, increased as a result of the positive hotel image created by philanthropic CSR initiatives, as did the patronage of socially responsible guests. Environmental initiatives positively impacted RevPAR through realised cost savings, operational efficiencies and improved brand reputation. Human resources initiatives drove exceptional guest experiences through the efforts of well-trained and motivated employees, which ultimately increased hotel room occupancy. Modern consumers are more likely to support companies that meet their expectations.

On their part, hotels in Zimbabwe should enhance their engagement in various CSR initiatives and also ensure that CSR activities are highlighted in their annual hotel reports. Such activities not only positively contribute to hotel profitability, but also create a corporate world that is more responsible and sensitive to the needs of its stakeholders.

Areas for Further Research

The study suggests a quantitative methodology be used to further unpack the qualitative views. This arises from a need to glean more insights from the lived experiences of hoteliers across Zimbabwe. Additionally, inferential statistics are required to test the relationship between CSR initiatives and hotel profitability measures.

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