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Social responsibility of International Business Travelers to Thailand

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ABSTRACT

Currently, international companies often include corporate social responsibility (CSR) in their overseas business trips. In Thailand, several destination management companies (DMC) and other tourism service suppliers provide CSR programs to meet the requirements of international business groups. However, the characteristics and patterns of corporate social responsibility (CSR) activities do not yet seem to have been studied. The paper examines the characteristics and patterns of CSR activities that are offered to international business travelers, and the impacts on their trip satisfaction. In-depth interviews were used to extract the opinions of eight key informants who are directors and managers of local tour operators and destination management companies. The instrument comprises a semi-structured questionnaire with 13 open-ended questions and one question to obtain the respondents' profiles. The interviews were held in Bangkok from March to November 2016. The results reveal the characteristics and patterns of business travelers' SR activities and related problems.

1. Background and Rationale

In the last two decades multinational corporations have included corporate social responsibility (CSR) aspects as part of their corporate policy (Ryan, 2002; Falck & Heblich, 2007; Golja & Nizic, 2010). Within CSR dimensions, some corporations have also included local community responsibility (Brunk, 2010). As a result, some multinational corporations have incorporated social responsible (SR) activities in their overseas business trips especially when they travelled to developing or under-developed destinations (Ryan, 2002; Global Business Travel Association, 2017). The activities often involve either social-oriented programs or environment-oriented programs (Sheldon & Park, 2011; Global Business Travel Association, 2017). Even though the CSR activities in multinational corporations and the tourism industry (Miller, 2001; Budeanu, 2005; Frey & George, 2007; European Cities Marketing, 2014) have been practiced about two decades ago, the literature on corporate social responsibility of international business travelers has been very limited, not only in Thailand but also globally. So far the characteristics, patterns and impacts of the CSR activities, either on international participants or host destinations, have not been sufficiently studied. The objective of this research is firstly, to study the characteristics and the patterns of international business groups' CSR activities during trips in Thailand, and secondly, to explore whether different types of CSR activity have different impacts on participants' satisfaction. This research is an initial part of a survey research project in which the researcher will explore the CSR characteristics that affect the satisfaction of CSR activities, and the impacts of the satisfaction of CSR activities on destination loyalty.

2. Literature Review

According to World Business Council for Sustainable Development (WBCSD in Grobois, 2012), corporate social responsibility (CSR) is defined as "the continuing commitment by business to behave ethically and contribute to economic development while improving the quality of life of the workforce and their families as well as the local community and society at large". Brunk (2010) researched a consumer perspective of corporate ethics (CPE) which has interrelationship with CSR. The study conceptualizes potential sources of consumer perceived ethicality (CPE) of a company/brand by investigating consumers' ethical perceptions of business behavior. The developed taxonomy delineates 6 domains and 36 sub domains of CPE origin. The 6 domains are 1. consumers 2. employees 3. the environment 4. the overseas community 5. the local economy and community and 6. the business community. Based on the

concept of CSR and CPE, ethical companies have to operate in a way that it should ensure the improvement of the workforce as well as the local community and the overseas community. As a result, some ethical companies have taken the negative impact of their trips into consideration and initiate social responsible activities in their overseas trips.

According to European Cities marketing (2014), CSR measures of tourism business comprise the responsible use of natural and cultural resources; the minimization of pollution and waste; the conservation of landscapes; biodiversity and cultural heritage; fair and responsible treatment of employee, suppliers and guests; fair use of local products and services as well as involvement and cooperation with local communities so as to improve the quality of life of local people. There have been a number of articles discussing about tour operators and their responsible management in the past decade (Miller, 2001; Budeanu, 2005; Frey & George, 2007). Some tour operators started to adopt CSR in their business about 2 decades ago, however, compared to other industries, the study showed that tour operators have been slow to adopt CSR especially in the developing countries. The tour operators' perceptions of CSR are based on high cost, lack of resources and not aware of the demand (Frey & George, 2007; Sheldon & Park, 2011). Many articles discussed that tour operators involved in bringing tourists to the destination would create positive economic impact but also create negative impact especially on environment of the destinations (Miller, 2001; Ryan, 2002; Budeanu, 2005; Frey & George, 2007). As tourism industry is forecasted to grow in high digits into the future, many authors proposed that tour operators or destination management companies (DMC) should concern more about the impact as they play intermediary roles, and they can potentially adopt some kinds of CSR activities or create information to educate or involve tourists in doing responsible tourism (e.g. Miller, 2001; Budeanu, 2005).

Dwyer et al. (2009)'s study posited that tour operators and DMCs need to adapt to the need of the tourists. The tourism industry needs to serve not only a more demanding and knowledgeable consumers, but also one that is more able and adventurous. Tour operators should attempt to become "experience providers" which develop personal encounters and authentic experiences, designed to create long lasting memories, engaging travel and increased customer loyalty. This strategy can attract new customers as well as generate repeat visits. Tour operators that can adjust to the social trend and new tourists' requirements are likely to gain more competitive advantage and operate more profitably and sustainably. Thus, a CSR program offered by tour operators is one of the

ways to demonstrate that they provide the responsible tourism products. This author proposes that the CSR activities during the business trips are beneficial for all concerned parties i.e. corporations, local tour operators and local community. Therefore, CSR of business travelers should be examined.

3. Research Methodology

In this research, a face-to-face interview was employed as a method to gain insight into the characteristics and patterns of CSR activities arranged for overseas business groups. One-to-one interview was considered the most appropriated method to obtain the insights (McCracken, 1988). The researcher used a semi-structured questionnaire with 13 open-ended questions and one additional question to obtain respondents' profiles. The questions are as follow: 1. Personal information including position, age, gender, and education 2. How long ago did your company organize CSR activities for overseas groups? 3. In each year, approximately how many of your groups included CSR activities as part of their programs? 4. What was the approximate duration of the CSR activity (i.e. how many hours)? 5. What city in Thailand that did you organize the CSR activities for the groups? (rank from the most frequent). 6. How far was the locations of the CSR activities from the accommodation (in terms of driving time)? 7. From which regions or countries did the groups originate? 8. Approximately how many people participated in the CSR activities? 9. Were the CSR activities requested by the company organizers or did you (local suppliers) propose the program to the clients? 10. What were the types of CSR activities that you organized for the groups? (from most often to least) 11. What was the approximate CSR budget during the trip each time? (If you can disclose) 12. What was the positive or negative feedbacks of the CSR activities from the groups? 13. What are the problems or obstacles in organizing CSR activities in Thailand?

14. Do the groups that you organized the CSR activities use your service again? The interviews were held in Bangkok from March to November 2016 with 8 respondents. They were senior managers or managing directors or Meeting, Incentive, Convention and Exhibition companies (MICE), tour operators, destination management companies, and team building companies who have extensive experience organizing CSR activities for overseas business groups in Thailand. The author conducted interviews with 8 executives because after the eighth interview, the answers were repeated and saturated. The information was sufficient to explain the concept and design the rigorous instrument for the survey (McCracken, 1988). The face-to-face interview took about 40 to 90 minutes. For the analysis, the author applied the "constant comparative method" of Creswell (2007).

4. Empirical Results

The eight managers who were interviewed had contrasting profiles. They were 4 Thais and 4 non-Thais (a Malaysian, an American, a Dutch and a Singaporean), 6 males and 2 females, age between 30 to more than 60 years. Most of them have obtained bachelor's degrees. Based on the in-depth interview with the senior managers, who have been involved in organizing corporate social activities for international business groups for more than 10 years on average, it was found that the international business groups travelling to Thailand have been involved in philanthropic activities for more than 20 years.

The majority of the international business groups that had CSR activities spent half a day to do the CSR activity. Most of the activities took place in Bangkok followed by major tourist destinations, Phuket and Chiangmai. Most groups generally spent about 30 minutes to 1 hour driving time from the hotel to the CSR sites. From the interviews, about 30% of their groups included CSR in the programs (3-4 groups up to 10-20 groups depending on the size of the company). This numbers were the case before May 2015. Since May 2015 until the present time Thailand has been governed by the military government due to the political problems. The CSR expenditure varies from group to group depending on the size and program elements. It ranges from 20,000 to 100,000.-THB and the charge per head varied from 500 to 5,000.-THB. Some respondents said that it was about 5-10% of the total group expenses. This means that 5-10% of the total expenses were distributed to people outside the tourism industry, mostly to children in need. It was also used for animal care and the improvement of the natural environment.

The most popular CSR activities are done with orphans, disabled and under-privileged children in Bangkok and its suburban, and in the north such as hill-tribe villages. The activities involve teaching school students; hosting meals; donating money, books, toys; playing sports with them

such as football. In recent years, assembling bicycles and then donating them for poor school students were very popular activities for many local service providers. The second types of activity involve animals such as visiting and looking after elephants, releasing turtles, fish, crabs into the sea. These activities mostly done in the upcountry destinations such as Phuket. The third type of activity involve growing plants, trees. These were done both outside Bangkok and upcountry destinations. In Bangkok, due to the traffic conditions, CSR activities were mostly socially-oriented activities such as visiting orphanage centers or visiting low income communities to donate money or useful materials to children. This is because it took more time to travel to do the environmental projects. For upcountry cities such as Phuket and Chiangmai, it took less time to travel from the hotels to the sites. Therefore, the activities involved children and environmental projects such as tree plantation.

The interviews indicated that most visitors felt happy about the CSR activities. They are likely to come back and some of them have continued to support the projects. When asked why tour operators or DMCs proposed the CSR activities to their clients, even though some said it was rather complicated, hard work and demanded much time, they said they were willing to propose it because it was a good activity. A few problems or obstacles faced by the respondents in organizing CSR activities were firstly, the lack of information about the needs for help in many aspects gathered for this CSR purposes. DMCs had to find the places by themselves. Secondly, the traffic condition in Bangkok made it difficult to travel outside Bangkok to meet the needed recipients. Third, sometimes the respondents did not have good support and cooperation from the local authority.

5. Conclusions

This research provides the insights of the business travelers' CSR characteristics and patterns. It also gives some information about the positive impact of the CSR activities on our society, economy and the environment. This research also reveals some problems and obstacles for the public and private parties to tackle. There is obviously some room for further improvement. A CSR activity is a responsible initiative that should be admired and encouraged. In addition, it is a good team building opportunity for the participants and it makes the trip memorable. Based on the study of international business groups' CSR characteristics, it can be seen that CSR activities of business travelers have positive impacts on society, the economy and the environment. Local service suppliers should continue to create interesting and suitable programs that match the purposes and time of business groups. In developing countries, there is still poverty and inequality in society and the United Nation Sustainable Development Goal or SDGs 2030 promotes pro-poor tourism (UN-DESA, 2017). Business tourism's CSR activities can be used as one of the good tools to tackle this problem.

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