RGC Ref. No.:
UGC/FDS24/B05/18
(please insert ref. above)

RESEARCH GRANTS COUNCIL
COMPETITIVE RESEARCH FUNDING SCHEMES FOR
THE LOCAL SELF-FINANCING DEGREE SECTOR

FACULTY DEVELOPMENT SCHEME (FDS)

Completion Report
(for completed projects only)

Submission Deadlines:	1. *Auditor's report with unspent balance, if any: within **six** months of the approved project completion date.*
	2. *Completion report: within **12** months of the approved project completion date.*

Part A: The Project and Investigator(s)

1.   Project Title

Effect of Corporate Social Responsibility Practice on Social Media Crises in Travel Industry

2.   Investigator(s) and Academic Department(s) / Unit(s) Involved

Research Team	Name / Post	Unit / Department / Institution
Principal Investigator	Dr WUT Tai-ming	PolyU SPEED
Co-Investigator(s)	Dr XU Jing (Bill)	PolyU SPEED
Others	N/A	N/A

3.   Project Duration

	Original	Revised	Date of RGC / Institution Approval *(must be quoted)*
Project Start Date	1 Jan 2019	N/A	N/A
Project Completion Date	31 Dec 2020	30 Jun 2021	7 Aug 2020
Duration *(in month)*	24	30	7 Aug 2020
Deadline for Submission of Completion Report	31 Dec 2021	30 Jun 2022	7 Aug 2020

Part B: The Final Report

5.   Project Objectives

    5.1   Objectives as per original application

          1. Examine the effect of CSR initiatives (in terms of timing and content) on corporate reputation for social media crises

          2. Compare third party creditability in crisis communication strategies from different sources on social media crisis.

    5.2   Revised objectives

        Date of approval from the RGC: N/A

        Reasons for the change: N/A

        1. N.A.

        2.

        3. ....

5.3   Realisation of the objectives
       (Maximum 1 page; please state how and to what extent the project objectives have been achieved; give reasons for under-achievements and outline attempts to overcome problems, if any)

First of all, we have conducted a comprehensive literature review on corporate social responsibility (CSR) practices in the hospitality and tourism industry context.   The findings show that recent CSR research has focused on organisational and stakeholder themes.   Recent CSR research-trend shifts from financial focus to customer focus.   Practitioners could take a reference on what sort of CSR activities have been conducted and explore new CSR initiatives in their sectors.   Academics are advised to address under-research fields.   Seven possible further research areas in the hospitality and tourism industry are proposed: secondary stakeholders including residents, government, media and activists; consequences of CSR practices; antecedents of CSR practices; dark side of CSR; communicating CSR initiatives, less explored contexts and topics, and new analytic methods.   A new research model has been proposed.   This review paper fills a literature gap in reviewing CSR practices in the hospitality and tourism industry in a holistic manner.

Second, a systematic review has been completed on the crisis management in the hospitality and tourism industry.   To understand how crisis management practices have been adopted in the industry, the authors reviewed 512 articles, including 79 papers on COVID-19, spanning 36 years, between 1985 and 2020.   The findings showed that the research focus on crisis management, crisis impact and recovery, as well as risk management, risk perception and disaster management dominated mainstream crisis management research.   Looking back the past decade (2010 to present), health-related crises (including COVID-19), social media, political disturbances and terrorism themes are the biggest trends.   This paper proposed a new conceptual framework for future research agenda on crisis management in the hospitality and tourism industry.

Third, the timing and congruence of CSR practices were examined in relation to social media crises using Stimulus-Organism-Response (SOR) theory.   An experimental vignette method was used. Respondents were randomly divided into four experimental groups and a control group.   The findings indicated that Social media crisis recovery needs CSR practices.   CSR practices are more impactful immediately after, rather than before, a social media crisis.   Furthermore, the business scope of the company should be taken in the planning and enforcement of CSR practices. Corporate reputation provides a shield to mitigate the negative effect of the social media crisis.

Finally, negative news is news that presents misinformation, media manipulation or propaganda. In cases where negative news may harm corporate reputation, management must focus on how to respond to social media crises.   The benefits of corporate and third party responses to negative news were compared.   An experimental research design was used with a control group on 206 Chinese respondents in Hong Kong for comparison.   Immediate corporate clarification was found to be effective for reputation recovery.   Clarification from third parties like key opinion leaders and regulators had a similar effect to corporate clarification.   A prompt response and consistent message was preferable in all cases to the no comment option, which is traditionally perceived as 'safer'.

5.4　Summary of objectives addressed to date

Objectives *(as per 5.1/5.2 above)*	Addressed *(please tick)*	Percentage Achieved *(please estimate)*
1. Examine the effect of CSR initiatives (in terms of timing and content) on corporate reputation for social media crises	✓	100%
2. Compare third party creditability in crisis communication strategies from different sources on social media crisis.	✓	100%

6. Research Outcome

6.1　Major findings and research outcome
(Maximum 1 page; please make reference to Part C where necessary)

This funded FDS supports the PI, Co-I and other collaborators to involve in our research project on crisis management and corporate social responsibility in hospitality and tourism industry. We have published four conference papers and two journal articles. Two journal articles were published by Journal of Quality Assurance of Hospitality and Tourism and Tourism Management. Two other manuscripts were under review at the Journal of China Tourism Research and Journal of Hospitality and Tourism Technology.

Our review article on corporate social responsibility in Journal of Quality Assurance of Hospitality and Tourism addresses all three areas of CSR: social, environmental and economic, which makes our paper contribute to existing literature. The main themes of CSR studies in the hospitality and tourism industry have revolved around organisational and stakeholder management (customer and employee aspects) based on stakeholder theory. Other stakeholders could be explored in the future. Ten possible further research areas were also suggested in a TCM (theory-context-method) model in the second review article: the theories of crisis prevention and preparedness, risk communication, crisis management education and training, risk assessment, and crisis events in the contexts of COVID-19, data privacy in hospitality and tourism, political-related crisis events, digital media, and alternative analytical methods and approaches. In addition, specific research questions in these future research areas were also presented to provide further directions in the Tourism Management.

Our project provided empirical evidence that CSR practice can reduce the negative effect of social media crises. CSR-focused research has traditionally examined the benefits of corporate philanthropy, but scholars have not generally paid attention to the social media crises. Our study demonstrated that when crises (e.g., social media crises) occur to businesses with committed CSR practices, their reputations are not significantly influenced. Thus, our study reinforces the concept that CSR practices should be strategically designed and implemented to gain and sustain consumer confidence to buffer against potential crises.

Pre-crisis CSR practices provide an 'insurance effect' against social media crises and are considerably more effective if they are relevant to the industry. Such practices can be more flexibly chosen than those implemented after crises. However, post-crisis CSR practices are also demonstrably effective if properly deployed, and can improve crisis recovery outcomes. Our study clearly demonstrates that timing is an important factor for selecting both appropriate and

inappropriate CSR practices and determining the ability of businesses to recover from crises. We subsequently conclude that CSR practices should be used as one of the important components of crisis management. It should be used proactively before crises occur and after crises as well.

Furthermore, although recruiting opinion leaders and regulators may be important, corporate clarification of the firm's standpoint is the reaction most expected by consumers and netizens. Thus, professionals charged with handling social media crises in a company should be valued more highly than in the past and should take strategic responsibility for building and strengthening a trusting relationship with the public and potential consumers. They should be fully informed about the background of a crisis and act quickly to provide information and justification as necessary to all involved parties. A sincere apology from senior managers is always preferable and can help to resolve the crisis. With additional resources, the company can recruit key opinion leaders and invite regulators to help deal with the crisis together. The importance of key opinion leaders should not be overlooked. Two manuscripts are currently under review at the Journal of China Tourism Research and Journal of Hospitality and Tourism Technology, respectively.

6.2 Potential for further development of the research and the proposed course of action
(Maximum half a page)

Future research could include a group with both prior and post-crisis CSR, which would illustrate consistent CSR policy to stakeholders. Does it better than only prior-crisis CSR or post-crisis CSR?

Given the experimental and fictitious nature of the company used in the experiment, the study may have benefitted from examining real examples to observe the effects in practice. Future research could include other industries, such as manufacturing, finance and retail services. In addition, social media crises can manifest in a variety of forms, so future research could examine alternative scenarios related to customer complaints or organisational misconduct. Furthermore, the scenario in the study was presented in a text format, and further studies could explore sound or video, which may be more lifelike.

Finally, the slopes of appropriate and inappropriate CSR practices were not parallel. Although there was no interaction effect, future studies would benefit from including various time durations before and after the crisis. We hope our study will not only give useful tips to practitioners but also inspire future research on the use of CSR practice in crisis management.

7. Layman's Summary
(Describe <u>in layman's language</u> the nature, significance and value of the research project, in no more than 200 words)

A well planned CSR strategy provides stakeholders with a clear and sincere impression of the company. This confirms the result of prior research (Vergne & Durand, 2010). However, it would be impractical to change CSR practices in response to social media crises as they arise. Thus, it is best to select CSR practices that pertain to the relevant industry.

Many sectors are involved in the travel and tourism industry. With the effect of the ongoing COVID-19 pandemic, online consumption behaviours and online reviewing have increased further. Consumer confidence is more easily shaken in the more sensitive economic and social environment. Consumers may run away if trust has not been sufficiently restored in their earlier choices. Corporations in the tourism industry increase their exposure to sustainability both within and

beyond social media. Our research shows that this can be effectively accomplished through CSR practices that are congruent with the tourism industry.

We strongly suggest that travel and tourism companies pay full attention to social media crises and recruit communications professionals and managers to deal with them. Prompt response and consistent message are recommended rather than the traditionally perceived 'safer' option of no comment.

Part C: Research Output

8. Peer-Reviewed Journal Publication(s) Arising **Directly** From This Research Project
(Please attach a copy of the publication and/or the letter of acceptance if not yet submitted in the previous progress report(s). All listed publications must acknowledge RGC's funding support by quoting the specific grant reference.)

The Latest Status of Publications				Author(s) *(denote the corresponding author with an asterisk*)*	Title and Journal / Book *(with the volume, pages and other necessary publishing details specified)*	Submitted to RGC *(indicate the year ending of the relevant progress report)*	Attached to this Report *(Yes or No)*	Acknowledged the Support of RGC *(Yes or No)*	Accessible from the Institutional Repository *(Yes or No)*
Year of Publication	Year of Acceptance *(For paper accepted but not yet published)*	Under Review	Under Preparation *(optional)*						
2022	2020	N.A.	N.A.	Wut, Tai Ming*; Xu, Jing; Wong, Shun-mun	Tai Ming Wut*, Bill Xu & Helen Shun-Mun Wong (2022) A 15-year Review of "Corporate Social Responsibility Practices" Research in the Hospitality and Tourism Industry, Journal of Quality Assurance in Hospitality & Tourism, 23:1, 240-274, DOI: 10.1080/1528008X.2020.1864566	-	Yes *(Appendix A)*	Yes	No
2021	2021	N.A.	N.A.	Wut, Tai Ming*; Xu, Jing; Wong, Shun-mun	Tai Ming Wut*, Jing (Bill) Xu, Shun-mun Wong, (2021) Crisis management research (1985–2020) in the hospitality and tourism industry: A review and research agenda, Tourism Management, Volume 85, 2021, 104307, ISSN 0261-5177, https://doi.org/10.1016/j.tourman.2021.104307.	-	Yes *(Appendix B)*	Yes	No

The Latest Status of Publications				Author(s) *(denote the correspond-ing author with an asterisk*)*	Title and Journal / Book *(with the volume, pages and other necessary publishing details specified)*	Submitted to RGC *(indicate the year ending of the relevant progress report)*	Attached to this Report *(Yes or No)*	Acknowledged the Support of RGC *(Yes or No)*	Accessible from the Institutional Repository *(Yes or No)*
Year of Publication	Year of Acceptance *(For paper accepted but not yet published)*	Under Review	Under Preparation *(optional)*						
N.A.	N.A.	✓	N.A.	Wut, Tai Ming*; Xu, Jing; Wong, Shun-mun	Responses of fake news in tourism industry/Journal of China Tourism Research *(Under Review)*	-	Yes *(Appendix C)*	Yes	No
N.A.	N.A.	✓	N.A.	Wut, Tai Ming*; Xu, Jing; Wong, Shun-mun	Timing and Congruence Effects of Corporate Social Responsibility Practices on Social media Crises in Tourism Industry/Journal of Hospitality and Tourism Technology *(Under Review)*	-	Yes *(Appendix D)*	Yes	No

9. **Recognized International Conference(s) In Which Paper(s) Related To This Research Project Was / Were Delivered**
   (Please attach a copy of each conference abstract)

Month / Year / Place	Title	Conference Name	Submitted to RGC *(indicate the year ending of the relevant progress report)*	Attached to this Report *(Yes or No)*	Acknowledged the Support of RGC *(Yes or No)*	Accessible from the Institutional Repository *(Yes or No)*
Oct 2019/Guilin	Crisis Management for Travel Industry in Digital Era	The Second "One Belt, One Road, One Tourism" International Conference	Yes (2019)	Yes *(Appendix E)*	Yes	No
Dec 2019/Cebu	The Review of "Corporate Social Responsibility Practices" Research in Travel Industry	Academy of International Business, Southeast Asia Regional Conference	Yes (2019)	Yes *(Appendix F)*	Yes	No
Sept 2020/Online	Social Media Crisis Responses and Reputation	13th Annual Conference of the EuroMed Academy of Business (EMAB)	Yes (2022)	Yes *(Appendix G)*	Yes	No
Nov 2020/Online	Effect of Corporate Social Responsibility Practice on Social Media Crises in Travel Industry	2020 Global Marketing Conference	Yes (2022)	Yes *(Appendix H)*	Yes	No

10. **Whether Research Experience And New Knowledge Has Been Transferred / Has Contributed To Teaching And Learning**
    (Please elaborate)

    The topics of crisis management and corporate social responsibility were incorporated in the teaching duties of PI (second semester of year 2018/19, second semester of year 2019/2020, and second semester of 2020/2021).

11. **Student(s) Trained**
    (Please attach a copy of the title page of the thesis)

Name	Degree Registered for	Date of Registration	Date of Thesis Submission / Graduation
N/A			

12. **Other Impact**
    (e.g. award of patents or prizes, collaboration with other research institutions, technology transfer, teaching enhancement, etc.)

    Topics of social media crisis and corporate social responsibility in tourism context were integrated in the teaching duties of the co-investigator. Students was given scenarios/ examples used in the study.

13. **Statistics on Research Outputs**

	Peer-reviewed Journal Publications	Conference Papers	Scholarly Books, Monographs and Chapters	Patents Awarded	Other Research Outputs (please specify)	
No. of outputs arising directly from this research project	2	4	N/A	N/A	Type	No.
					N/A	

14. **Public Access Of Completion Report**
    (Please specify the information, if any, that cannot be provided for public access and give the reasons.)

Information that Cannot Be Provided for Public Access	Reasons
N/A	N/A