Goodbye CSR? - Environmental, Social and Governance (ESG) Factors in Tourism

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The study examines whether the growing popularity of the ESG approach could result in the decline or disappearance of the CSR concept, which has encountered numerous challenges in practical implementation. The question is analyzed in the context of the tourism sector. After introducing the relationship between CSR and ESG, this paper examines the connection between responsibility and tourism, with a focus on sustainability in the sector under study. The empirical research methodology used is bibliometric analysis, which involves 924 studies using Publish or Perish (PoP) software and PRISMA methodology. The analysis has explored the relationship between sustainability and tourism, as well as between tourism and ESG. The bibliometric maps reveal a strong relationship between CSR and ESG concepts in the study area. It is important to note that ESG does not replace CSR, but rather provides a measurement and framework for it to address its problems. In the tourism sector, the ESG field is dominated by the first 'E' pillar, meaning that sustainability is mainly focused on environmental and natural aspects, while social or even economic sustainability, and ethics are less prominent.

1   Introduction

In recent years, there has been an increasing focus on addressing the shortcomings and unanticipated negative effects of the CSR concept. Bajic and Yurtoglu (2018) draw attention to the problem of measuring CSR in a heterogeneous or even particular way, which can obscure the real driver(s) of CSR. They propose the ESG approach as a general measurement tool for CSR. Szczanowicz and Saniuk (2016) identified trends for improving CSR in the SME sector by examining CSR assessment and reporting models. The authors developed an assessment model based on monitoring and reporting ESG risks. In addition, some studies have used ESG approximations or specific ESG databases to measure CSR performance, such as the Bloomberg ESG database (Wang et al., 2017; Taylor et al., 2018).

What are the similarities and differences between CSR and ESG that could lead to the conclusion that ESG can solve the problems of CSR measurement and prevent color washing (whitewashing, greenwashing, etc.) practices while being suitable for measuring CSR? ESG stands for Environment, Social, and Governance pillars, and primarily refers to a set of criteria that investors can use to make decisions. The aim of ESG is to enable organizations, such as companies, and countries, to shift from a short-term profit-maximizing mindset to a longer-term and ethical profit-maximizing one. Csapi and Balogh (2020) have shown that profitability and size can contribute to competitiveness growth for SMEs, while ESG is playing an increasingly important role in the perception of companies. The three pillars of ESG (Environmental, Social, and Governance) have been present in CSR (Corporate Social Responsibility) measurement solutions. ESG and CSR are similar in essence, but they are carried out by different groups of people. CSR describes a company's socially responsible commitment, efforts, and practices and is often used by the corporate side. ESG is a term used by asset managers and investors to assess corporate behavior and identify financial risks and growth opportunities for companies. CSR and ESG are becoming cornerstones of corporate success by improving companies' reputation, innovation, risk management, and revenues (Godfrey et al., 2009; Porter-Kramer, 2011; Sen et al., 2016).

Although this paper does not cover all the problems related to CSR, it is important to note that consumers have become increasingly skeptical. CSR has been an unregulated field for a long time since its emergence in practice, with no accurate

measurement and reporting standards. The International Organization for Standardization (ISO, 2010) introduced ISO 26000:2010 to clarify the practice of CSR. This standard lists several criteria and standards for socially responsible practices of public and private sector companies. However, CSR was perceived by many organizations as a new marketing communication tool with no real substance, causing the concept to erode. ESG presents an opportunity to renew and integrate previous content and concepts in a more verifiable form, primarily aimed at investors and decision-makers. While it may still influence consumer decisions, ESG's primary target group is investors, unlike CSR.

ESG evaluates companies based on their environmental, social, and governance efforts, like CSR, but with a more integrated approach. The reporting of ESG scores has significantly increased in recent decades. According to the KPMG International Survey on Corporate Responsibility Reporting 2017, the reporting rate of N250 companies (the 250 largest companies in the Fortune Global 500) has remained stable at 90-95% over the past four years. For N100 companies, there is a steady catch-up, with a current rate of 75 percent (Cheffi et al., 2021).

The practical implementation of CSR has been imperfect, which has tarnished its reputation and called its credibility into question. The theoretical concept of CSR should not disappear but rather be renewed and reborn in a more reliable and credible form, eliminating the problems. This is where the concept of ESG can be useful. The following analysis examines whether international literature supports our ideas and whether CSR is being replaced by ESG by narrowing the analysis to tourism industry.

2   Tourism and ESG

Firstly, our study explores how ESG can be understood in tourism and how responsibility and sustainability are reflected in this sector. Tourism is a significant industry that promotes economic development and generates income in many countries. However, the rapid growth of tourism has resulted in negative impacts on the environment and host communities and societies (Forster, 1964; Pizam, 1978; van der Borg et al., 1996; Fun et al., 2014; Baloch et al., 2023; Alamineh et al., 2023). It is important to note that ESG considerations are becoming increasingly important in the tourism industry, and businesses must take responsibility for their impact on

the environment and society. The concept of sustainable tourism aims to mitigate negative impacts while promoting economic growth and preserving natural resources for future generations (Harris et al., 2012; UNWTO, 2017; Job et al., 2017; Fennell-Cooper, 2020; Peng, 2021). However, there is no uniform understanding of this concept.

The World Economic Forum Travel & Tourism Development Index 2021 (TTDI) represents the first indication of an ESG approach in the tourism sector. It enables sustainable and resilient development of the sector, marking a shift from the previous competitiveness-focused Travel & Tourism Competitiveness Index (TTCI). The TTDI index evaluates destinations based on five pillars: (1) enabling environment, which includes ethical tourism and economic sustainability, (2) policy and enabling conditions, (3) infrastructure, (4) demand drivers, which reflect social sustainability and destination stewardship, and (5) sustainability, with a focus on environmental sustainability (World Economic Forum, 2022). How can sustainable tourism be defined based on all of this? We are discussing a form of tourism that adopts a responsible approach to travel and seeks to reduce adverse effects on the environment while promoting cultural and social awareness, as well as contributing to economic development. According to the World Tourism Organization (WTO), sustainable tourism fully considers its present and future economic, social, and environmental impacts while also taking into account the needs of visitors, the industry, the environment, and host communities (UNWTO, 2017).

Sustainable tourism has numerous benefits for local communities. These include preserving natural resources and cultural heritage, creating jobs, supporting local businesses, and generating income. Additionally, it can contribute to reducing poverty, improving living standards, and increasing social well-being. Sustainable tourism can provide environmental benefits, including biodiversity and ecosystem conservation, pollution and greenhouse gas emission reduction, and sustainable use of natural resources (Bramwell-Lane, 1993; Neto, 2003; Jarvis et al., 2010; Harris et al., 2012; Saarinen, 2019; Fennell-Cooper, 2020). However, sustainable tourism faces several challenges, such as balancing economic development with environmental protection. The pursuit of economic growth may result in the exploitation of natural resources and harm to the environment, which can compromise the sustainability of tourism. Furthermore, the challenge of sustainable tourism lies in the lack of awareness and understanding among stakeholders and the general public, as well as

the absence of clear metrics for measuring success. Addressing these issues will require a collective effort to increase awareness, promote education, and establish policies and regulations that promote sustainable tourism (Bramwell-Lane, 1993; McMinn, 1997; Jarvis et al., 2010; UNWTO, 2017; Pan et al., 2018).

Sustainable or responsible tourism involves various elements that follow the principles of sustainable development and have a positive impact on the environment, local communities, and the economy. This definition is based on the works of Harris et al. (2012), Swarbrooke (2014), UNWTO (2017), Pan et al. (2018), and Gonda-Rátz (2023):

- Environmental sustainability involves minimizing the impact of tourism on the environment through sustainable practices such as reducing carbon emissions, conserving natural resources, and protecting biodiversity. Tourism businesses can achieve environmental sustainability by implementing environmentally friendly policies such as energy-efficient operations, waste management, and water conservation.
- Social sustainability in tourism development involves promoting social equity, cultural diversity, and community involvement. Tourism enterprises can achieve social sustainability by supporting local businesses, promoting cultural awareness, respecting local customs and traditions, and involving local communities in decision-making processes.
- Economic sustainability involves ensuring that tourism generates economic benefits for local communities while contributing to the long-term economic development of the region. Tourism businesses can achieve economic sustainability by promoting sustainable employment, supporting local businesses, and investing in community infrastructure.
- Ethical tourism involves promoting ethical behavior among tourism stakeholders, including tourists, tourism businesses, and local communities. Ethical tourism practices involve promoting animal welfare, respecting human rights, and ensuring fair labor practices.
- Destination Stewardship involves managing tourism development in a way that preserves its natural and cultural heritage. Tourism businesses can achieve destination stewardship by adopting sustainable tourism practices,

such as reducing the impact of tourism on the environment and promoting the conservation of natural resources and cultural heritage.

Instead of the broad and general approach, there is no consensus in the literature regarding the concept of sustainable tourism and its relationship to responsible tourism. Some approaches combine them as 'sustainable and responsible tourism' (UNWTO, 2012; Mihalic et al., 2021). Additionally, although sustainable tourism is dominant, 'green tourism' and 'ecotourism' are also used as synonyms (Mihalic et al., 2021; Saarinen, 2021). In our research, we examine these concepts separately in order to gain a comprehensive picture of this area of tourism. We use Pan et al.'s (2018) segments as a basis, we can identify the ESG elements - environmental, social, and corporate governance pillars - for tourism (see Figure 1). The E (environmental) pillar encompasses alternative and ecotourism, as well as carbon footprint reduction. The S (social) pillar includes elements related to culture and community, while the G (governance) pillar includes newer types of economic models, such as circular economy or behavioral economics.
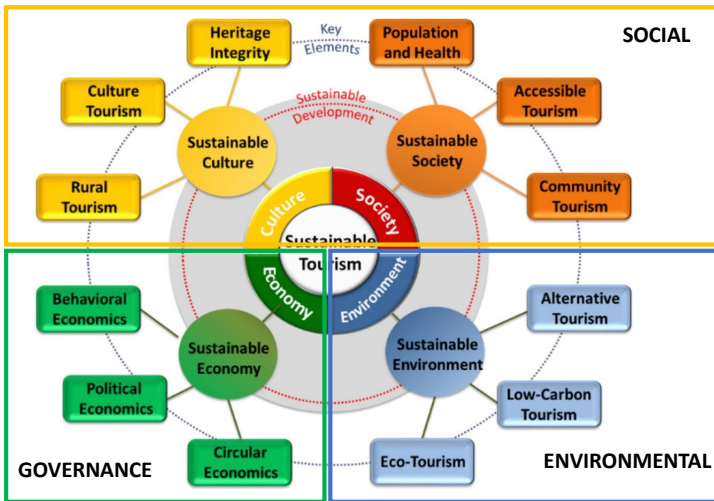

Figure 1: Classification of specific areas of sustainable tourism into ESG pillars
Source: Pan et al. (2018, 454.) is supplemented by the authors' ESG categorisation

In conclusion, sustainable tourism is a concept that promotes responsible travel, seeks to minimize negative impacts on the environment, and fosters economic development. It brings several benefits, including the conservation of natural resources and cultural heritage, the preservation of communities, economic model change, new governance mechanisms that create jobs, support local businesses, and generate income. After explaining the concept of sustainable tourism and the ESG pillars in tourism, we will compare the popularity of CSR and ESG in the tourism industry.

3 Tourism and Corporate Social Responsibility (CSR) or Environmental, Social, and Governance (ESG)? A Bibliometric Analysis

3.1 Methodology of bibliometric analysis

The research question stated above is addressed through bibliometric analysis. Bibliometric analysis enables the discovery, processing, and analysis of large amounts of scientific data, illustrating the development of a given field and highlighting current research trends. Mukherjee et al. (2022) state that high-quality bibliometric analyses can advance a field by identifying research gaps and defining new research directions. To establish the basis for a systematic literature review and bibliometric analysis, we used the PRISMA (Preferred Reporting Items for Systematic Reviews and Meta-Analysis) method (Moher et al., 2009). This method is widely used in the literature to ensure clear, objective, and transparent analysis.

The keywords were selected through the literature review and based also on Pan et al. (2018) classification. The following keywords were used in our search and were separated using a Boolean operator, i.e., if any of the following terms matched, the studies could be selected: 'sustainable tourism' OR 'green tourism' OR 'responsible tourism' OR 'ecotourism' OR 'cultural toursim' OR 'circular tourism'. Sustainable tourism was first mentioned in 1995 in the Charter for Sustainable Tourism at the first World Conference on Sustainable Tourism. However, some authors, such as Mihalic et al. (2021), attribute its appearance to the academic debate on the sustainability of tourism following the publication of the Brundtland Report. This study examines studies published between 1990 and 2023.

We used the Publish or Perish (PoP) software for scientometric analysis, which can also contribute to mapping a concept or related studies using other databases. The PoP software uses, among others, the freely accessible Google Scholar database, covering a wide range of scientific publications. Through the use of keywords, a detailed search can be initiated on Google Scholar within the specified time interval.

However, the only disadvantage is that during this period, we can only collect and examine the first thousand hits. Running the search under the conditions above allowed for creating a sample of 1000 elements, but its review is necessary as part of the PRISMA method. The PoP software and Google Scholar search do not allow for the inclusion of non-English language studies in the sample, and only focus on studies published in scientific journals. Therefore, we conducted a review and removed studies that were not written in English based on their titles, as well as book excerpts, book reviews, and conference papers. As a result, we narrowed down the original sample of 1000 elements to 824 studies.

The PRISMA method can be divided into four steps:

1. Identification of publications using the Publish or Perish (PoP) software and the Google Scholar database (n=1000).
2. Screening (n=1000): excluded records (language, duplicates) (n=58).
3. Eligibility (n=942): evaluation for acceptability, exclusion of conference proceedings, book reviews and unrelated topics (n=118).
4. Inclusion (n=824): studies that passed the screening were included in the analysis.

3.2   Results of bibliometric analysis

We created a bibliometric science map using the computer program VOSviewer to investigate the topic further. As described by Van Eck and Waltman (2010), this program allows for the investigation of citation relationships between studies and journals, collaborations between researchers, and occurrence relationships between scientific terms and concepts. The VOSviewer employs its own clustering technique (Waltman et al., 2010) to examine clusters at an aggregate level using visualization techniques. One method that can be used is the concept map. This tool visualises the relationship between concept clusters through distances, and each term is marked with a circle. Some terms also have a label, which is only visible for certain

terms to avoid overlapping labels. The size of the circle reflects the number of publications on the topic, and the distance between two terms is an approximate indication of their relationship. Common events determine this relationship; the more studies in which the two terms appear, the stronger the link between them. The diagram illustrates the correlation between term groups, with colours representing the strength of the relationship. Curves indicate the strongest relationships.

For each publication, we identified terms in the title and abstract, selecting those that appeared in at least 15 publications. The analysis resulted in more than a hundred terms, each assigned a relevance score by the software to determine their importance. The software recommends selecting 60% of the terms, and we filtered the algorithmically selected terms manually, too. The manual filtering excluded terms that could have distorted the clustering, such as e. g. theory, terms, and country names. Two maps were created: the first examines the relationship between tourism and sustainable development (Figure 2), while the second explores how these aspects are reflected in tourism through its relationship with ESG (Figure 3).
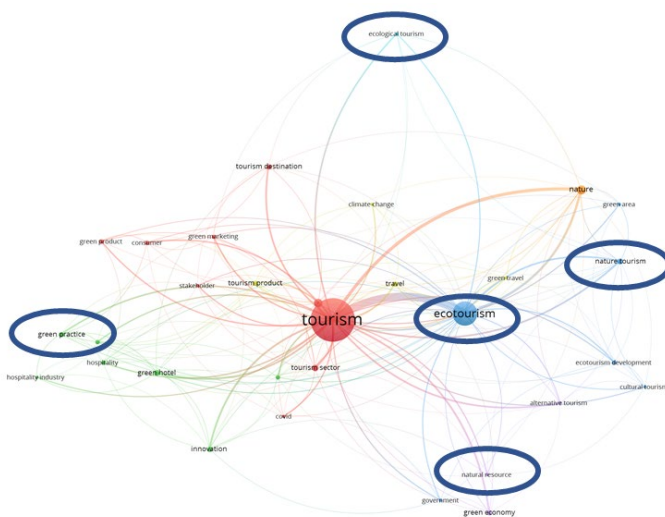

Figure 2: The bibliometric map of responsible or sustainable tourism
Source: own construction with the Vosviewer program

Figure 3: Bibliometric map of sustainable or responsible tourism and ESG
Source: own construction with the Vosviewer program

Based on the results, sustainable and responsible tourism prioritises environmental and natural sustainability over social sustainability, culture, ethics, and destination care. This highlights the significance of the 'E' pillar in ESG, which is also evident in other sectors.

When examining the sustainable or responsible tourism linkages with ESG, we identified six clusters ranked in order of strength: 1. CSR, 2. ESG (including ESG data and scores, country ranking in tourism, and ESG performance at country and company level), 3. Sustainable Development, 4. COVID-19 and hospitality, 5. Corporate Sustainability and SDGs, and 6. Marketing, Community, and Eco-tourism.

4   Conclusions

Our study uses bibliometric analysis to investigate whether CSR is still the dominant focus in tourism or whether ESG is emerging as a new priority. The study analyzed 824 papers using the PoP software and PRISMA methodology. The results indicate that the environmental and natural resource aspects of tourism are currently the most prominent. The results indicate that sustainability and sustainable development are becoming more significant in tourism, including ecotourism and responsible

tourism. The link between ESG, CSR, and corporate social responsibility not only remains but has emerged as a distinct cluster and the strongest of the six identified.

This suggests that CSR will continue to exist but will have a new position and function within ESG. It is probable that the experts who predicted that ESG will function more as a measurement and evaluation tool, as a framework, will be correct. Meanwhile, CSR, which has not been able to fulfil this role, or rather has been lacking in this aspect, can support ESG efforts providing appropriate content, activities, and action plans to address the weaknesses and gaps identified by ESG assessments. ESG and CSR can complement each other in the life of companies. The link between ESG and tourism results in a strong focus on natural resources and environment in the ESG approach. However, the social, cultural, economic, and ethical elements of sustainable tourism are less popular. This leads to a more prominent emphasis on Pillar E, which pertains to the natural environment, in publications. This emphasis on Pillar E is not surprising, as it is observed in most sectors. Pillar S and especially Pillar G are much more neglected.

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