

# SME corporate social responsibility practices, business strategies and stakeholders' responsiveness: Inputs to social tourism framework

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## Abstract

The purpose of this paper is to investigate and analyze the impact mechanisms of social responsibility of micro and small enterprises in ecotourism areas by combining relevant literature, in order to clarify the relationship between the practices, operations, and social responsibility of micro and small tourism enterprises. Then, the paper proposes specific strategic recommendations, such as regular monitoring and evaluation of corporate social responsibility practices and prioritizing the adoption of sustainable tourism practices. To achieve this, the paper explores the relationship between CSR, business strategies of SMEs, and stakeholder integration through questionnaires and SPSS 24.0 statistical analysis software. Based on the results of the literature evaluation and the findings of the survey analysis, the paper designed three scales: CSR, business strategy of SMEs, and integration of stakeholders, and then completed the questionnaire design. The study found that there is a highly correlated relationship between CSR practices and business strategies of SMEs; the relationship between CSR practices and stakeholder integration is also highly correlated. Moreover, the relationship between industry social responsibility practices and stakeholder integration is highly correlated as well. Furthermore, the study proves that there is a strong correlation between business strategy and stakeholder integration in terms of stakeholder knowledge, between business strategy and stakeholders, and between business strategy and stakeholders in terms of the behavior of companies in adapting to stakeholders' needs.

**Keywords:** social responsibility, micro and small enterprises, business strategies, stakeholders' responsiveness

## **SME corporate social responsibility practices, business strategies and stakeholders' responsiveness: Inputs to social tourism framework**

### **1. Introduction**

The development of tourism, especially rural tourism, has promoted the development of small and micro tourism enterprises, and since the 1990s, the domestic tourism market has begun to gradually rise and achieve rapid development. With the gradual relaxation of the industry and strong policy support, people's leisure time and disposable income have been increasing, and tourism has become a way of leisure for more and more Chinese people. At the same time, tourism has promoted the development of large groups of businesses such as travel agencies and hotels and also provided opportunities for more people to participate in tourism and start their businesses. The development of many attractions has boosted the local economy and villagers have participated in the operation of tourism-related industries, such as the famous tourist attractions around or in the vicinity of Lijiang, Dali, and Zhangjiajie in China. In the process, a large number of small and micro tourism enterprises have emerged as a new impetus for the urbanization of rural tourism and for villagers to escape poverty.

In China, small and micro enterprises are a new force for the development of the national economy. According to the Third National Economic Census Main Data Bulletin (2014), by the end of 2013, there were 7.85 million SMEs in the secondary and tertiary industries, accounting for 95.6% of all business legal persons; with 147.304.00 million employees, accounting for 50.4% of all business legal persons. Due to the specificity of the tourism industry, the existing CRS requires more basic empirical research. Therefore, social responsibility research is particularly important for micro and small tourism enterprises. At the same time, the current situation of MSMEs in fulfilling their social responsibility is not satisfactory. As a tourism enterprise that is highly dependent on the natural and social environment, they lag far behind other industries in terms of social responsibility practices (Yaoqi & Hui, 2014). All this has led academics to focus on the social responsibility of micro and small enterprises.

As a researcher, there are several reasons can be drawn to the subject of SME Corporate Social Responsibility Practices, Business Strategies, and Stakeholder Responsiveness. First off, because SMEs are so important to the global economy, it is becoming more and more important for these businesses to implement sustainable business practices. Through their Corporate Social Responsibility (CSR) activities, SMEs may support sustainable development, which benefits not only the business but also the community and the environment.

Second, the travel and tourism sector makes a major contribution to the world economy, and social tourism is becoming more and more popular as a means of advancing sustainable development. Social tourism is concerned with giving underprivileged populations the chance to engage in tourist-related activities and enjoy its advantages. Researchers can learn more about how SMEs in the tourism industry can support social tourism frameworks and advance sustainable development by examining their CSR activities, business plans, and stakeholder responsiveness.

Thirdly, the success of SMEs is greatly influenced by stakeholders, who include clients, staff members, suppliers, and local communities. Building strong relationships with key stakeholders can help businesses achieve better business results by enabling them to better understand how these stakeholders view and react to the CSR practices and business strategies of SMEs. Additionally, SMEs can find areas for development in their CSR activities and business strategy by comprehending stakeholder opinions and responses.

*Objectives of the Study* - This study determined the CSR practices of SME its business strategies and

stakeholders' responsiveness so as to develop a social tourism framework. Specifically, assessed the SME's corporate social responsibility in terms of ethical, environmental, philanthropic and economic responsibility; determined the business strategies in terms of service quality, environmental protection measures and policy support; evaluated stakeholders' responsiveness in terms of communities, employees, customers; Test the significant relationship between the three major variables and develop a social tourism framework.

## 2. Methods

**Research Design** - Descriptive research methods were used in this study to determine the CSR practices of SME its business strategies and stakeholders' responsiveness so as to develop a social tourism framework. Data obtained from special investigations are used to analyze the research results fully and accurately.

**Participants of the Study** - The questionnaire was distributed via the Internet, it could cross company and geographic restrictions. 280-330 questionnaires will finally sent. Since the author's area is Anhui Province, China, Chaohu is also located in Anhui Province, the research in this article is typical and representative. The questionnaire was distributed via the Internet, it could cross company and geographic restrictions. 280-330 questionnaires will finally sent.

**Data Gathering Instrument** - In this study, a self-compiled questionnaire was used to collect data, and the Likert 4 scale was used for measurement. The main content of the questionnaire is composed of three parts: the first part is a survey of the respondents' personal information to filter the questionnaire data; the second part is the measurement of the three variables in the topic of the thesis; the third part is ask oral questions directly to the respondent, record an answer on the spot, and learn about the actual social situation. After the preliminary design of the questionnaire was completed, Reliability results showed that the Cronbach's alpha for ethics (0.886), environmental (0.893), philanthropic (0.853), economic (0.869), quality of service (0.946), environmental protection measures (0.922), policy support (0.914), knowledge of stakeholders (0.958), interactions between a firm and its stakeholders (0.958), and adaptation of a firm's behavior to stakeholders' demand (0.969) suggesting that the items have high internal consistency.

**Data Gathering Procedure** - In the first stage, the author observed and recorded the spatial patterns, landscape environment, business environment, and business practices of small businesses around Chaohu Lake. According to the interview outline designed around the research questions, semi-structured interviews were conducted with the owners of small enterprises in Chaohu Lake. The second stage was mainly supplementary research. According to the interview outline and the questionnaire on the perception of social responsibility of small and micro enterprises in Chaohu tourism, semi-structured supplementary interviews and questionnaires were conducted with the owners of non-interviewed small and micro enterprises, and questionnaires were mainly conducted with the owners of already interviewed small and micro enterprises.

**Ethical Considerations** - The research was based on academic ethics and is transparent to the research process and findings. The questionnaire used was researcher made based on the research of existing scholarly works and studies. In the course of the questionnaire survey, there have been questionnaire reminders to assure the surveyed that the data provided will be kept confidential. If it is shared with others without the respondents' consent, it is an unethical behavior. When designing the questionnaire, the name of the respondents was not involved by using the quantitative analysis method, researcher used the SPSS software-based multivariate statistical analysis of the data content of the questionnaire feedback, including descriptive analysis, correlation analysis and regression analysis, organically combines the quantitative analysis results to form a comprehensive framework for Small and micro tourism enterprises framework.

**Data Analysis** - This research employed the frequency distribution and weighted mean for descriptive statistical analysis, in order to quantitatively obtain the overview of the relevant variables. The second was analysis of variance to test the significance of the difference between the means of two or more samples. The third tool used was Pearson correlation test for all variables to verify the correlation between the variables, which

provides a preliminary basis for the subsequent regression analysis. Finally, after the previous descriptive statistics and correlation statistics analysis, research used multiple regression. The use of the above tools was based on research goals. In addition, all data were processed using the statistical PASW version to analyze the research results.

### 3. Results and Discussion

**Table 1**

*Corporate Social Responsibility Practices of SME*

Transformational Leadership	Weighted Mean	Verbal Interpretation	Rank
Ethical Responsibility	3.52	Always	1
Environmental Responsibility	3.44	Often	2
Philanthropic Responsibility	3.24	Often	3
Economic Responsibility	3.21	Often	4
Composite Mean		3.35	Often

Legend: 3.50-4.00 = Always; 2.50-3.49 = Often; 1.50-2.49 = Sometimes; 1.00-1.49 = Never

Table shows the Corporate Social Responsibility Practices of SME with a composite mean of 3.35 verbally interpreted as Often. Among the cited indicators, "Ethical Responsibility" received the highest composite mean score of 3.52. This means that the surveyed SMEs have a strong commitment to ethical business practices, including behaving in an honest and transparent manner, treating employees fairly, and being socially responsible. This is particularly important in the tourism industry, where businesses have a significant impact on the environment, local communities, and the economy. Ethical Responsibility is crucial for building trust and credibility with customers and stakeholders, which can ultimately lead to increased profitability and sustainable business growth. It also ensures that businesses are operating in a socially responsible and environmentally sustainable manner, which is essential for preserving the natural beauty and cultural heritage of tourist destinations like Chaohu.

One of the reasons for the high score in Ethical Responsibility may be due to the growing importance of ethical business practices in China's tourism industry. A study conducted by Sun et al, (2013) found that there has been a significant shift in Chinese tourists' behavior, with more travelers prioritizing ethical and sustainable tourism. This has led to an increase in demand for eco-friendly and socially responsible tourism products and services, prompting businesses in the tourism industry to adopt more ethical practices. Another possible reason for the high score in Ethical Responsibility is the increasing pressure on businesses to be socially responsible in China. The Chinese government has been promoting corporate social responsibility as a way to promote sustainable economic development and address social and environmental challenges. This has led to the implementation of various policies and regulations aimed at promoting ethical business practices, such as the Corporate Social Responsibility Guidelines for Chinese Enterprises Overseas issued by the Chinese government in 2014.

In conclusion, the high score in Ethical Responsibility for SMEs in Chaohu's tourism industry indicates a strong commitment to ethical business practices, which is essential for building trust and credibility with customers and stakeholders, as well as promoting sustainable business growth. The increasing importance of ethical tourism practices in China and the government's promotion of corporate social responsibility are likely contributing factors to the high score in this category.

The scores of 3.44 and 3.24 for "Environmental Responsibility" and "Philanthropic Responsibility," respectively, suggest that the surveyed SMEs have a moderate level of commitment in these areas of corporate social responsibility. Environmental responsibility involves taking actions to minimize the negative impact of business operations on the environment. This can include measures such as reducing waste, conserving energy, and using sustainable materials. A score of 3.44 indicates that while the surveyed SMEs recognize the importance of environmental responsibility, there is room for improvement in their implementation of such

practices. This could include developing and implementing more comprehensive environmental policies, investing in environmentally-friendly technologies, and regularly monitoring and reporting on their environmental impact.

Philanthropic responsibility refers to a company's efforts to contribute to social causes and improve the well-being of society. This can include activities such as donating to charitable organizations, volunteering in the community, and supporting social initiatives. A score of 3.24 suggests that while the surveyed SMEs prioritize philanthropic responsibility, there is still room for improvement in their efforts. Companies could consider developing more targeted and impactful philanthropic initiatives that align with their values and can have a tangible impact on the community. Additionally, companies could explore partnerships with local organizations to increase the effectiveness and reach of their philanthropic efforts.

Among the cited indicators, "Economic Responsibility" received the lowest score in 3.21. Economic responsibility is one of the important dimensions of corporate social responsibility that focuses on the economic impact of businesses on the society and their stakeholders. The low score suggests that SMEs in Chaohu may not be paying enough attention to the economic impact of their operations on the local community.

One of the key factors contributing to the low score in economic responsibility could be the high competition and tight profit margins in the tourism industry. According to Karali et al (2021), businesses in the tourism industry often face tight profit margins, which can make it challenging to prioritize economic responsibility practices such as buying from local suppliers even at a higher price. SMEs in Chaohu may find it difficult to balance their economic goals with their social responsibilities due to financial constraints. Furthermore, a lack of awareness and education on the benefits of corporate social responsibility may also be a contributing factor to the low score in economic responsibility. Similarly, Hudson and Ritchie (2004) suggest that the tourism industry's economic responsibility can be complicated by the fact that businesses often operate in a highly competitive market and face pressure to keep costs low in order to remain competitive.

To improve their economic responsibility, SMEs in Chaohu can focus on providing more employment opportunities for local residents and supporting the development of local suppliers. This can not only benefit the local economy but also help build a positive reputation for their businesses. Moreover, adopting sustainable business practices and promoting responsible tourism can also contribute to the economic growth of the region while reducing the negative impact on the environment and the society. In conclusion, the low score in economic responsibility highlights the need for SMEs in Chaohu to pay more attention to the economic impact of their operations on the local community. By adopting sustainable and responsible business practices and supporting the local economy, SMEs can not only improve their economic responsibility but also contribute to the overall development of the region.

**Table 2**

*Business Strategies of SME*

Indicators	Weighted Mean	Verbal Interpretation	Rank
Quality Service	3.51	Always	2
Environmental Protection Measures	3.47	Often	3
Policy Support	3.52	Always	1
Quality Service	3.51	Always	2
Composite Mean	3.50	Agree	

Legend: 3.50-4.00 = Always; 2.50-3.49 = Often; 1.50-2.49 = Sometimes; 1.00-1.49 = Never

Table 2 shows the Summary Table on Business Strategies of SME with a composite mean of 3.50 verbally interpreted as Always. Among the cited indicators, "Policy Support" got the highest weighted mean of 3.50. This indicates that SME highly value government policy support to ensure their success and growth. Policy support is a key factor in the success and development of SME. In the case of SME, policy support refers to government policies and regulations that aim to create a favorable business environment for the development of SMEs. Governments can play an important role in providing a supportive policy environment that promotes the

development of SMEs. By investing in policies that promote innovation, sustainability, and internationalization, governments can help SMEs become more competitive and contribute to economic development through fiscal incentives, tax breaks, simplified regulations, and access to resources and information. These policies can help SMEs overcome barriers to market entry, become more competitive, and enter new markets. In addition, policy support can promote innovation and sustainability within SMEs, as well as improve their social and environmental performance, such as increasing cohesion through government calls, forming associations, and signing a fair competition pact for SME development Chao Lake.

The importance of policy support for SMEs is well established in the literature. A study by the Organization for Economic Cooperation and Development (OECD) found that SMEs that receive policy support are more likely to survive and grow and contribute to job creation and economic development (OECD, 2017). Another study by the European Commission argues that policy support is a key factor in promoting the internationalization of SMEs, which in turn contributes to economic growth and job creation (European Commission, 2013). The Key Result Area "Quality Service" has a composite mean score of 3.51, which indicates that it is highly valued and always a priority for SMEs. Providing quality service is essential for maintaining customer satisfaction and loyalty, which can lead to repeat business and positive word-of-mouth marketing. It is crucial for SMEs to ensure that their services meet or exceed customer expectations to remain competitive in their industry.

Among the cited indicators, "Environmental Protection Measures" received the lowest score in 3.47. Chaohu Lake is a popular tourist destination in China, attracting millions of visitors each year. Therefore, small and medium-sized enterprises (SMEs) in the region must implement environmental protection measures to maintain the natural beauty of the lake and the surrounding area. SMEs in the Chaohu region should prioritize environmental protection measures in their business strategies to ensure the long-term sustainability of tourism. Implementing these measures not only benefits the environment, but also improves the overall quality of the destination, attracts more environmentally conscious tourists, and provides economic benefits to local communities.

Implementing environmental protection measures not only helps preserve natural resources and protect the environment, but also provides economic benefits to local communities. It can improve the overall quality of the destination and attract more environmentally conscious tourists. SMEs can take various measures such as reducing waste and emissions, using eco-friendly products and services, promoting sustainable practices, and raising awareness of environmental protection among their customers. Studies have shown that the implementation of environmental conservation measures is increasingly important for the sustainability of tourism. A study by Moise et al. (2020) found that the implementation of sustainable tourism practices, including environmental conservation measures, has a positive impact on tourist satisfaction and loyalty. Another study by Nelson et al. (2020) showed that in recent years, tourists' willingness to pay for eco-friendly products and services has increased, highlighting the importance of environmental protection measures for tourism businesses.

Table 3 shows the Stakeholders' Integration with a composite mean of 3.31 verbally interpreted as Often. Among the cited indicators, "Adaptation of a firm's behavior to stakeholders' demands" got the highest weighted mean of 3.30. Corporate Behavior Adapted to Stakeholders "This key result area is critical for companies seeking to achieve long-term sustainability and maintain positive relationships with their stakeholders. By prioritizing stakeholder integration, companies can better understand the expectations and needs of their stakeholders and therefore develop more effective policies and strategies. In addition, companies that prioritize stakeholder integration are more likely to achieve superior financial performance. Overall, the concept of stakeholder integration should be considered an important aspect of business strategy for companies seeking long-term success in today's highly competitive marketplace. This is because the concept of stakeholder integration has become increasingly important to companies as they strive to achieve their goals while meeting the changing needs and expectations of their various stakeholders. This suggests that companies frequently adjust their policies and priorities to meet the changing needs of their stakeholders, which is essential to maintain

positive relationships and ensure long-term sustainability.

**Table 3**

*Stakeholders' Integration*

Indicators	Weighted Mean	Verbal Interpretation	Rank
Knowledge of stakeholders	3.36	Often	2
Interactions between a firm and its stakeholders	3.28	Often	3
Adaptation of a firm's behavior to stakeholders' demands	3.30	Often	1
Composite Mean	3.31	Agree	

Legend: 3.50-4.00 = Always; 2.50-3.49 = Often; 1.50-2.49 = Sometimes; 1.00-1.49 = Never

The concept of stakeholder integration has become increasingly important for companies seeking long-term success in today's highly competitive marketplace. According to Tantalo and Priem (2016), by prioritizing stakeholder integration, companies can better understand the needs and expectations of their stakeholders, leading to the development of more effective policies and strategies. This, in turn, can help companies build strong partnerships with their stakeholders, resulting in benefits such as increased trust, improved reputation, and greater stakeholder loyalty. In addition, Dey et al. (2022) found that firms that prioritize stakeholder integration are more likely to achieve superior financial performance than those that do not, based on a study of 258 small and medium-sized firms. Therefore, companies should allocate more time and resources to adapt and accommodate the changing needs of their stakeholders, involving them in the decision-making process and responding to their changing needs. This approach can help companies increase stakeholder satisfaction, build trust and loyalty among stakeholders, and contribute to the development of a more sustainable and successful business.

"Knowledge of stakeholders" refers to the extent to which a company understands the needs, expectations, and interests of its stakeholders. A score of 3.36 ranks this key result area as number two on the list, indicating that the company has a good understanding of its stakeholders and their needs. Among the cited indicators, "Interactions between a firm and its stakeholders" received the lowest score in 3.28. This indicates that companies frequently engage with stakeholders through various communication channels to understand their needs and expectations. Such engagement is essential for the success of stakeholder integration, as it enables companies to better understand stakeholder needs and expectations, leading to improved decision-making processes and financial performance. Therefore, companies should prioritize stakeholder engagement and develop effective strategies to build relationships and trust with their stakeholders. According to Gao and Zhang (2006), effective stakeholder engagement involves building relationships and trust with stakeholders, incorporating their inputs into the decision-making process, and aligning stakeholder interests with company goals. This can enhance the sustainability of a company's operations and improve overall performance.

The table 4 displays the relationship between corporate social responsibility practices and business strategies of SME. It shows that all have less than .05 level of significance which indicates that the ethical, environmental, philanthropic and economic corporate social responsibility has a positive relationship to the business strategies in terms of quality service, environmental protection and policy support. One possible explanation for this relationship is that customers are becoming more socially and environmentally conscious and are choosing to support businesses that align with their values. By demonstrating CSR practices, businesses can differentiate themselves from competitors and appeal to a growing segment of socially responsible consumers. In addition, investing in CSR can also lead to increased employee motivation and engagement, which can result in higher levels of customer service. Related literature supports this analysis. A study by Chung et al (2015) found that CSR practices positively influence customer satisfaction and loyalty in the tourism industry. Another study by Xu and Gursoy (2015) found that CSR practices positively influence customer trust and willingness to pay for environmentally friendly hotels. These findings suggest that businesses that prioritize CSR practices are likely to see positive outcomes in terms of customer satisfaction, loyalty, and trust.

**Table 4***Relationship Between Corporate Social Responsibility Practices and Business Strategies of SME*

Variables	Spearman's Rho	p-value	Interpretation
<b>Corporate Social Responsibility Practices and Business Strategies in terms of Quality Service</b>			
Ethical Responsibility	0.578	0.000	Significant
Environmental Responsibility	0.564	0.000	Significant
Philanthropic Responsibility	0.373	0.000	Significant
Economic Responsibility	0.265	0.000	Significant
<b>Corporate Social Responsibility Practices and Business Strategies in terms of Environmental Protection Measures</b>			
Ethical Responsibility	0.609	0.000	Significant
Environmental Responsibility	0.534	0.000	Significant
Philanthropic Responsibility	0.462	0.000	Significant
Economic Responsibility	0.219	0.000	Significant
<b>Corporate Social Responsibility Practices and Business Strategies in terms of Policy Support</b>			
Ethical Responsibility	0.579	0.000	Significant
Environmental Responsibility	0.567	0.000	Significant
Philanthropic Responsibility	0.355	0.000	Significant
Economic Responsibility	0.215	0.000	Significant

Legend: Significant at p-value < 0.01

Another study by Yousaf et al (2021) also found a positive relationship between CSR practices and environmental protection measures in the tourism industry. The study analyzed the impact of CSR practices on environmental performance in 206 hotels in China, and found that firms that implemented CSR practices had better environmental performance. The study also highlighted the role of government regulations and market competition in influencing the adoption of CSR practices and environmental protection measures. These findings highlight the importance of CSR practices in promoting environmental protection measures in the tourism industry. The tourism industry is known for its significant impact on the environment, and thus, it is important for tourism businesses to prioritize environmental protection in their operations. CSR practices can provide a framework for businesses to consider their impact on the environment, and take steps to minimize any negative effects. Furthermore, engaging in CSR practices related to environmental protection can also be a way for tourism businesses to differentiate themselves from competitors and attract environmentally-conscious customers.

Wagner & Hollenbeck, (2020) found the relationship between corporate social performance (CSP) and financial performance. The authors find a positive relationship between CSP and financial performance, suggesting that companies that engage in socially responsible practices tend to have better financial performance. This supports the idea that companies that prioritize CSR may also prioritize policies that support their CSR goals. Kolk and Van (2010) found that CSR is becoming increasingly important for companies to maintain their legitimacy and competitive advantage. Policy support is seen as a key aspect of CSR in this context, as companies may advocate for policies that align with their CSR goals and contribute to sustainable development.

**Table 5***Relationship Between Corporate Social Responsibility Practices and Stakeholders' Integration*

Variables	Spearman's Rho	p-value	Interpretation
<b>Corporate Social Responsibility Practices and Stakeholders' Integration in terms of Knowledge of Stakeholders</b>			
Ethical Responsibility	0.517	0.000	Significant
Environmental Responsibility	0.596	0.000	Significant
Philanthropic Responsibility	0.440	0.000	Significant
Economic Responsibility	0.306	0.000	Significant
<b>Corporate Social Responsibility Practices and Stakeholders' Integration in terms of Interaction Between a Firm</b>			
Ethical Responsibility	0.381	0.000	Significant
Environmental Responsibility	0.474	0.000	Significant
Philanthropic Responsibility	0.413	0.000	Significant
Economic Responsibility	0.381	0.000	Significant
<b>Corporate Social Responsibility Practices and Stakeholders' Integration in terms of Adaptation of a Firm's Behavior to Stakeholders' Demands</b>			

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Ethical Responsibility	0.313	0.000	Significant
Environmental Responsibility	0.387	0.000	Significant
Philanthropic Responsibility	0.332	0.000	Significant
Economic Responsibility	0.431	0.000	Significant

Legend: Significant at p-value < 0.01

The table displays the relationship between corporate social responsibility practices and stakeholder's integration. It shows that all have less than .05 level of significance which indicates that the ethical, environmental, philanthropic, and economic corporate social responsibility has a positive correlation to the stakeholders' integration in terms of knowledge of stakeholder, interaction between a firm and adaptation of a firm's behavior to stakeholders' demands. The researcher's analysis suggests that there is a positive correlation between the level of corporate social responsibility (CSR) practices and stakeholder knowledge in the context of ethical, environmental, philanthropic, and economic responsibility. This means that companies that prioritize CSR are likely to have a better understanding of their stakeholders' needs and expectations and are more likely to integrate their stakeholders' perspectives into their decision-making processes. One possible explanation for this relationship is that CSR practices help companies build stronger relationships with their stakeholders. By being transparent about their social and environmental impact and taking steps to address their negative externalities, companies can build trust and credibility with their stakeholders. This can lead to more meaningful engagement with stakeholders, which in turn can lead to better understanding of their needs and expectations.

Related literature supports the idea that CSR practices can lead to better stakeholder engagement and integration. For example, a study by Ansong (2017) found that CSR practices positively affect stakeholder engagement, which in turn leads to improved firm performance. Similarly, a study by Meszaros (2011) found that companies that engage in CSR are more likely to consider stakeholders' perspectives in their decision-making processes. Another possible explanation for the relationship between CSR practices and stakeholder knowledge is that CSR practices encourage companies to adopt more participatory and collaborative decision-making processes. By engaging with stakeholders in a meaningful way, companies can learn from their experiences and perspectives and incorporate them into their decision-making processes. This can lead to more informed and effective decision-making, which can ultimately benefit both the company and its stakeholders.

In their study on the impact of CSR on stakeholder engagement, Akhter and Rahman (2021) found that CSR practices positively affect stakeholder engagement, which in turn leads to improved organizational performance. The authors also highlight the importance of stakeholder knowledge and participation in shaping CSR practices. Similarly, in a study on stakeholder management and CSR, Jia and Chen (2002) found that effective stakeholder management positively impacts CSR practices and organizational performance. The authors emphasize the need for organizations to prioritize stakeholder engagement in order to improve their CSR practices and overall performance.

**Table 6**

*Relationship Between Business Strategies and Stakeholders' Integration*

Variables	Spearman's Rho	p-value	Interpretation
<b>Business Strategies and Stakeholders' Integration in terms of Knowledge of Stakeholders</b>			
Quality of Service	0.570	0.000	Significant
Environmental Protection Measures	0.442	0.000	Significant
Policy Support	0.570	0.000	Significant
<b>Business Strategies and Stakeholders' Integration in terms of Interaction Between a Firm</b>			
Quality of Service	0.487	0.000	Significant
Environmental Protection Measures	0.499	0.000	Significant
Policy Support	0.378	0.000	Significant
<b>Business Strategies and Stakeholders' Integration in terms of Adaptation of a Firm's Behavior to Stakeholders' Demands</b>			
Quality of Service	0.479	0.000	Significant
Environmental Protection Measures	0.441	0.000	Significant
Policy Support	0.305	0.000	Significant

Legend: Significant at p-value < 0.01

The table displays the relationship between business strategies and stakeholder’s integration. It shows that all have less than .05 level of significance which indicates that the quality of service, environmental protection measures and policy support has a positive correlation to the stakeholders’ integration in terms of knowledge of stakeholder, interaction between a firm and adaptation of a firm’s behavior to stakeholders’ demands. The CSR practices that were considered include service quality, environmental protection measures, and policy support, while the level of integration in terms of stakeholder knowledge was the dependent variable. The study found that the higher the level of business strategy practices in terms of service quality, environmental protection measures, and policy support, the higher the level of stakeholder integration in terms of knowledge.

Kim and Kim (2016) found the relationship between corporate social responsibility (CSR) and customer satisfaction, and the mediating role of service quality and trust. The findings revealed that CSR practices positively affected service quality, trust, and customer satisfaction. The authors suggest that CSR practices should be integrated into business strategies to enhance service quality and build customer trust. Another study from Islam et al. (2021) investigated the impact of CSR practices on customer satisfaction in China. The results indicated that CSR practices positively influenced customer satisfaction, and this relationship was mediated by service quality. The authors argue that CSR practices should be considered as a strategic investment to enhance service quality and customer satisfaction.

**Proposed for Social Tourism Framework**

Discover the social responsibility impact mechanism of small and micro enterprises in ecotourism areas. From Figure 1, it can be seen that The model for The Social Responsibility Impact Mechanism of Small and Micro Enterprises in ecotourism Areas by Corporate Social Responsibility, Business Strategies of SME, CSR has an impact on the business strategies of SMEs. CSR business strategies also have an impact on stakeholders. The study in this paper looks at the mechanism of CSR impact on small and micro enterprises in ecotourism areas by corporate Social Responsibility, Business Strategies of SME and integration of stakeholders.

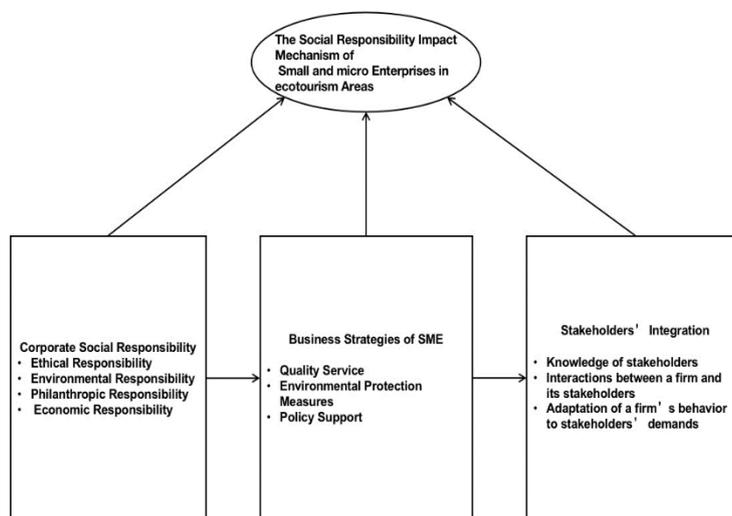


Figure 1. Proposed for Social Tourism Framework

**4. Conclusions and Recommendations**

There is a moderate evidence on the Corporate Social Responsibility in terms of Ethical Responsibility Environmental Responsibility, Philanthropic Responsibility and Economic Reprehensibility; Business Strategies of SME in terms of Quality Services, Environmental Protection Measures and Policy Support and Business Strategies of SME in terms of Quality Service, Environmental Protection Measures and Policy Support. The

relationship between CSR practices and the business strategies of SME and CSR practices and stakeholder integration is highly relevant.

Small and micro tourism enterprises may recognize the importance of social responsibility and integrate it into their business operations. They may also work with local communities, Non-Governmental Organizations (NGOs), and other stakeholders to identify and address social responsibility issues. Small and micro tourism enterprises may prioritize the adoption of sustainable tourism practices to reduce their environmental impact and support local economic development. They can also engage in education and awareness-building activities to promote social responsibility among their employees, customers, and local communities. Lastly, regular monitoring and evaluation of their socially responsible practices to ensure that they are meeting their objectives and having a positive impact.

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