

Strategic Implications of Corporate Social Responsibility in Hotel Industry: A Comparative Research Between NH Hotels and Meliá Hotels International

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Abstract: The hospitality industry serves millions of people globally and is a multibillion-dollar industry with a significant growth expectation in the upcoming years. The Spanish tourism industry is one of the most developed sectors of the nation, being one of the main contributors to the country's GDP. On a world wide scale, and specifically in the European context, there is a rising awareness for firms' actions to be responsible towards the environment and the community in which they operate. Based on "triple bottom line" guidelines, companies' mission in such a context is achieving competitive advantage by means of a business model considering three key aspects: people, profit, and planet. Considering the hospitality industry's characteristics, it becomes essential to fulfill these new requirements to achieve sustainable competitive advantages. This exploratory study will outline which are the best practices of two main Spanish hotel corporations: NH Hotels and Meliá Hotels International. By pointing out actions undertaken by the most important firms of the sector, they can serve as an example and be replicated by other firms, thus increasing sustainability practices, improving understanding of triple bottom line, minimizing negative social as well as environmental footprint, and enhancing positive firms' impacts in their operating contexts.

Keywords: Tourism, sustainability, hotel industry, corporate social responsibility, services

Introduction

In the latest decades, there has been an increase in society's awareness on the role firms play in their socio-economic and environmental context. This resulted in a new business strategy, which takes into account the triple bottom line (Elkington, 1997). This innovative line involves three key aspects: achieving sustainable profits, while reducing environmental footprint (planet), and balancing these objectives with people involved, from employees to overall community.

The concept of Corporate Social Responsibility (CSR), or the pros and cons of business involvement in resolving social problem, has arisen. Some of the major topics discussed revolve

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around the consumer's recognition of companies being socially responsible and, independently from this factor, which are the implications for business's future (Argadoña, 2010; Nord, 2006; Sharpley, 2000; Roner, 2006; World Commission on Environment and Development [WCED], 1987). CSR is linked to the belief that acting as a responsible organization leads to profitability and good business (Burke & Logsdon, 2008). Tourism industry is characterized by having significant environmental, socio-economic, and cultural impacts. Thus, CSR has become a necessary tool in order to ensure sustainable tourism development at destinations through public and private stakeholder management policies.

The present study will focus specifically on tourism private stakeholders' approach to CSR related to hotel industry. The effect of a business strategy including CSR in its main guidelines in tourism firms is an area that has been scarcely studied. This study aims to shed light over this matter and establish CSR's strategic implications for the hotel industry. In doing so, our research has chosen two of the most relevant Spanish hotel multinational companies: NH Hotels and Meliá Hotels International, with economic interest spread in 39 different countries.

Both companies are taking part of the United Nations' Global Compact strategic policy initiative for businesses in order to advance their commitments to sustainability and corporate citizenship. This organization was first established in 2000, and now has more than 87,000 firms who are committed to aligning their operations and strategies with ten universally accepted principles in the areas of human rights, labor, environment, and anti-corruption. Furthermore, they both comply with the Global Reporting Initiative (GRI), which is a non-profit organization promoting sustainability. It works in three lines: economic, environmental, and social, providing companies and other organizations a comprehensive framework for sustainability reporting, being widely used around the world.

By applying the reporting standards from such organization in the elaboration of all CSR-related documents and information, both prove to be companies with a broad experience and working CSR compliance under international standards and policies. The main aim of this comparative research is to identify good practices to be replicated in other sector-related firms. Moreover, the article analyses the importance on CSR strategies related to tourism and the specific implications in hotel industry.

The study will consist first of a literary review of the state of the art in this matter, followed then by an in-depth study of NH Hotels and Meliá Hotels International, including factsheet, CSR specific actions, and the most successful initiatives. Finally, from these two firms' examples, the most relevant initiatives will be established as best practices, followed by limitations and future research.

Tourism Industry in Depth

According to the latest World Tourism Organization [UNWTO] World Tourism Barometer (2012), international tourist arrivals grew by over 4 percent in 2011 to 980 million. With growth expected to continue in 2012, international tourist arrivals will reach the milestone 1 billion mark during 2012 (UNWTO, 2012). Considering that worldwide population has officially reached 7 billion people in 2011 (Haub & Gribble, 2011), it can be stated that one in every seven people

on the planet travel the world in 2012 sleeping at least for one night abroad. Not every tourist is sleeping on a private accommodation, as many of them travel to visit friends and relatives and they stay overnight with them. Nevertheless, any other kind of private accommodation is key to understand the tourism industry itself, and it can be stated that hotel industry is at the very heart of tourism.

The hospitality industry is a multibillion-dollar industry, serving millions of people globally, and is expected to grow significantly within the next few years. The International Hotel & Restaurant Association (IH&RA) (n. d.) estimates that the hospitality industry employs 60 million people and contributes US\$950 billion to the global economy every year (para. 1). This enormous industry has considerable impact on social, economic, and environmental conditions around every destination in the world, and enterprises in this sector have the potential to substantially contribute to sustainable development.

Tourism industry is characterized by being a massive impact sector, since “the World Travel & Tourism Council (WTTC) estimates that, from direct and indirect activities combined, the T&T [Tourism and Travel] sector now accounts for 9.2 percent of global GDP, 4.8 percent of world exports, and 9.2 percent of world investment” (Blanke & Chiesa, 2011, p. 3). However, tourism is a particularly complex industry. As an economic phenomenon, it encompasses all the investment, production, distribution, and consumption activities undertaken in the process of attracting, receiving, and satisfying visitor demand. According to Argandoña, “all these activities overlap with and influence one another, as well as residents’ other activities” (2010, p. 1).

In the last few years, many circumstances and trends influenced tourism companies and lead them to reconsider operational management, reformulating objectives and strategies. Gessa, Ruiz, and Jimenez (2008) have pointed out there is a growing social consensus about sustainability (according to the concepts defined in the 1989 Brundtland Report and world summits, namely Rio de Janeiro 1992, Johannesburg 2002, Rio+20 challenges, and many other). Furthermore, society’s new concerns and expectations resulted in new regulations regarding education, the environment, human rights, or labor. Additionally, the authors point out an increase in the relevance honesty and ethics play in today’s business, especially after certain worldwide financial scandals, and a significant development in Information and Communication Technologies (ICT) which enlarges the firm’s reach to their consumers, in terms of transparency.

A hotel is first of all responsible to itself and its internal stakeholders, such as owners, managers, and employees. The company is a community of persons; therefore, it must answer to this community for its own behavior. According to Argandoña, “CSR is a joint and shared responsibility within the organization” (as cited in Argandoña, 2010, p. 14). A hotel is also “responsible to its external stakeholders, ... the individuals and population groups affected by its activity, including customers and suppliers, other players in the company’s value chain, local communities, society in general and future generations” (2010, p. 14).

Tourism and CSR

Given the importance of sustainable development, as it was pointed out by international summits herein mentioned (Rio de Janeiro 1992, Johannesburg 2002, Rio+20 challenges, etc.),

customers, employees, and investors, as well as the media, governments, and NGOs, have been demanding the hospitality industry on a worldwide scale to address such matters. The hospitality industry has responded with a wide array of voluntary initiatives to show its dedication to sustainable development, although hotel industries still lag behind other travel sectors in responsible tourism (Roner, 2006) and behind other industries (Nord, 2006). However, “certification and benchmarking programs have been developed to illustrate commitment to improving environmental performance and more recently also social performance” (2006, p. 15).

Sharpley (2000) analyzed which are the basic requirements for sustainable tourism, and concluded there are three basic requirements to achieve it:

1. Adopting a new social paradigm relevant to sustainable living.
2. National and International cooperation to create and adopt sustainable tourism policies.
3. Using technology to contribute to sustainable tourism use. (p.13)

The author exposed the first element is not likely to take place as there is lack of specific evidence supporting a demand towards sustainable living (2000). The occurrence of the second element is endangered by the political structures and fragmented nature of the industry, while the third element has so far been ignored by those who support sustainable development; hence, unlikely to be accomplished (2000).

Several authors have proposed knowledgeable and demanding customers are rising in numbers, though there is limited empirical evidence which supports this (Middleton & Hawkins, 1993; Macnaghten & Urry, 1998; Toro, 2006). In order to transform sustainable development into tourism’s operations and activities, the concept “alternative tourism” arose, upon which there is a large controversy regarding its implications and applications. The concept emerged in the late 1980s; it was thought as an optimum means to conserve natural areas, hence achieving resources’ sustainability. Its beneficial effects were also associated with improvement in local communities, providing educational value for tourists and a differential factor for developing countries (Boo, 1994; Brandon, 1996).

Academia and practice have recently increased research and studies regarding CSR in tourism and hotel industries (Erdogan & Barisb, 2007; García-Rodríguez & Armas-Cruz, 2007; Henderson, 2007; Kalisch, 2002; Lee & Park, 2009; Roner, 2006; Scanlon, 2007). Kalisch (2002) analyzed CSR cases in this industry and determined there should be more widespread practices and studies in these lines. Henderson (2007) reinforced tourism’s particular and identifiable CSR obligations apart from the business scope concluding CSR contributes to make tourism industries sustainable. In these lines, sustainability can be understood as conducting business without endangering future generation’s activities. The decision making process depends on several factors, including each individual’s self-awareness (Hill, 2010) and CSR cost-benefit analysis.

The link between tourism and hotels’ activities with the environment, and industry’s sustained growth in the past, consequently has far-reaching negative impacts, which should be mitigated. This is important “not only for the good of the physical and social environments, but

also for the sustainability of the industry itself” (Kasim, 2006, p. 19). Stoll (2007) reviewed main critics related to CSR from different perspectives.

Bhandarkar and Álvarez-Rivero (2007) determined the level of demand for CSR activities or attributes depends on the level of relevance such demand has and, based on that, the resources devoted to such activities are allocated. In tourism industry, travelers are becoming more conscious with ecology and the respect for the environment matters, consequently increasing the demand for such characteristics in the sector. In this sense, a change of paradigm is being evidenced, together with the uprising of a new line of thinking. A UK study regarding tourism from Market & Opinion Research International [MORI] (2002) suggested that package holiday makers would pay more if money went towards preservation of the local environment and reversing some negative environmental effects of tourism (47%), workers in the destination are guaranteed good wages and working conditions (49%), hotels serve food produced locally (36%), or money went to support a local charity (22%). These consumers said they would be willing to pay up to 10% more for a holiday. However, Bhattacharya and Sen's (2004) research showed consumer's behavior is not homogeneous.

Companies engaging in CSR related activities can build up a resource or capability. As a consequence, the company may have a sustained competitive advantage allowing for a continuation of its economic activities for a long-term period. Making use of year-benefits and firm-level data on environmental profitability, Russo and Fouts (1997) empirically tested this theory, resulting in both variables being positively correlated. This implies firms with higher environmental performance also present higher financial results. Recent studies regarding hotel industry (García-Rodríguez & Armas-Cruz, 2007; Lee & Park, 2009) have found hotel firms' CSR has a positive relationship with financial performance; thus, it is bringing economic as well as social and cultural benefits.

The hotel business sector is one of the key elements of the tourism industry; consequently, it is the one which should be the most involved. This is due to the fact that hotels have several social and environmental impacts, among which the most relevant ones are: water consumption, waste water management, energy consumption, waste production, purchasing and procurement, chemical use and atmospheric contamination, and local community initiatives (International Hotels Environment Initiative [IHEI], International Hotel Association [IHA], & United Nations Environment Programme [UNEP], 1995). Therefore, addressing any of these key areas denotes a corporate interest in environmental and social responsibility.

A study conducted by De Grosbois (2012) evaluated CSR reporting practice among the top 150 largest hotel companies in the world. It demonstrated that, “while a large number of companies report commitment to CSR goals, much smaller number of them provide details of specific initiatives and report actual performance achieved. However, 109 of the largest 150 hotel companies in the world reported some information related to any of the five major themes of sustainability (environment, employment quality, diversity and accessibility, community wellbeing, and economic prosperity)” (p. 903). For instance, commitment to specific goals such as improving quality of life of local communities was stated by 54 companies.

According to the European Commission (2001), CSR “extends beyond the doors of the company into the local community and involves a wide range of stakeholders in addition to

employees and shareholders: business partners and suppliers, customers, public authorities and NGOs representing local communities, as well as the environment” (p. 11). Hart and Milstein (2003) identified four key elements strategic planning should have in order to successfully grow towards achieving sustainable development:

1. Focus actions in the lines of reducing environmental damage (which result from rapid industrialization).
2. Operating for the civil society with greater transparency.
3. Creating radical innovations based in new technology that allows for reduction of environmental footprint and social damage.
4. Fulfilling basic needs of world's lowest social class to enable creation of wealth and fair income-distribution.

The raising importance of CSR worldwide has brought to international institutions and NGOs developing CSR certifications, including tourism companies in order to spread CSR management policies within tourism private firms. The most relevant ones are: TourCert CSR Tourism, ISO 26000 (Social Responsibility), the Global Sustainability Tourism Criteria (GSTC), the reporting standards of the Global Reporting Initiative (GRI), and the management United Nations Global Compact.

Hotel Industry's CSR Practical Implications: NH Hotels and Meliá Hotels International

Nowadays, companies' mission is achieving competitive advantage by means of value creation. As it was stated, the tourism industry is particularly client-oriented, so it becomes essential to deliver the elements which will result in customer satisfaction, brand enhancement, value creation, and consequently a steady competitive advantage.

General Overview

It was herein argued the hotel business sector is one of the key elements of the tourism industry, and due to this fact it should be the most involved one in terms of CSR policies and actions. Consequently, it was deemed relevant to consider this sector for the purpose of this paper's analysis.

Spain is one of the main destinations in the world in terms of international arrivals and the second in international tourism receipts after the United States of America (UNWTO, 2011). Tourism's contribution to Spanish gross domestic product (GDP) is estimated at 10% (Instituto de Estudios Turísticos, 2011), whereas worldwide is around 5% (UNWTO, 2011). Therefore, there are currently relevant Spanish hotel multinational companies with a wide experience regarding CSR. NH Hotels and Meliá Hotels International are taking part of the United Nations Global Compact strategic policy initiative for businesses that are committed to aligning their operations and strategies with ten universally accepted principles in the areas of human rights, labor, environment, and anti-corruption, in order to advance their commitments to sustainability and corporate citizenship. As a result, both are companies with a broad experience and working under international standards and policies.

Meliá Hotels International was founded in 1956 in Palma de Mallorca (Spain) and is one of the world's largest resort hotel chains, as well as Spain's leading hotel chain (Meliá Hotels International, 2012). It currently provides more than 350 hotels and 87,000 rooms in 35 countries on 4 continents (Meliá Hotels International, 2012).

Meliá Hotels International S.A. operates its own hotel brands: Gran Meliá, Meliá Hotels & Resorts, ME by Meliá, Sol Meliá Vacation Club, Sol Hotel, and Paradisus Resorts. Additionally, the firm purchased the Tryp Hotels company and brand at the end of the 20th century, selling the brand to Wyndham Worldwide firm in 2010, but continuing to own and operate the resorts under a licensing agreement (Wyndham Worldwide, 2010).

The firm operates its own Meliá brand products as well as Tryp Hotels, yet it also has agreements with other companies in the leisure industry, opening hotels and resorts with Warner Bros (Flintstones-themed hotels) and with The Rank Group, parent company of the Hard Rock Café (Hard Rock Café Hotel) (Sol Meliá, 2004, p. 3). All in all, Meliá's business includes more than 350 self-operated hotels in more than 30 countries (Meliá Hotels International [MHI], n. d., para. 6).

NH Hotels, Meliá Hotels International main competitor, operates in the same regions, namely Europe, America, and Africa, being its key market Europe, particularly Spain. The firm is the leading business-oriented hotel Spanish group, and one of the fastest-growing corporate-focused corporations. The firm's growth on a world wide scale was mainly due to several acquisitions, including the Dutch chain Krasnapolsky, Astron Hotels in Germany, and the Mexican Chartwell (NH Hotels, n. d.). Nowadays, their business has been consolidated in many regions and is pioneer in hotel innovation, creating wellness centers, a unique gastronomic offer by means of an agreement with the world wide famous chef Ferrán Adrià (NH Hotels, 2002), among other considerations. NH Hotels is now listed in the MEC (NH Hotels, n. d.).

The mentioned elements considered by the IHEI et al. (1995) as the most relevant ones in terms of hotel business' impact in society were the subject of this study. Several general aspects of the firm's CSR were analyzed, particularly their efforts in reducing water consumption, waste water management, energy consumption, waste production, how they handle chemical use and atmospheric contamination, as well as purchasing and procurement, and finally their relationship with the local community (specific initiatives).

Key Figures

A few years ago, hotel companies' efficiency and success was measured through benefits and profitability. Notwithstanding this, nowadays competitive companies with a promising future are those making from CSR a key management item. Thus, the hotel chain main objective in our current society is to create economic, social, and environmental value from a sustainable approach through time. In doing so, a development mode must be implemented able to satisfy future current generations without constraint for future generations. Hotel companies will become profitable, flexible, and socially committed (Gessa et al., 2008).

The following table summarizes NH and Meliá Hotels International's key figures:

Table 1. *NH Hotels and Meliá Hotels International Key Figures*

	NH Hotels	Meliá Hotels International
Country	Spain	Spain
Country status	OECD	OECD
HQ City	Madrid	Palma de Mallorca
Operating countries in Europe	Andorra, Austria, Belgium, Czech Republic, France, Germany, Italy, Luxembourg, Poland, Portugal, Romania, Spain, Switzerland	Bulgaria, Croatia, France, Germany, Greece, Italy, Luxembourg, Portugal, Spain, United Kingdom
Operating countries in the Americas	Argentina, Chile, Colombia, Mexico, Panama, USA, Uruguay, Venezuela	Argentina, Brazil, Canada, Colombia, Costa Rica, Cuba, Mexico, Panama, Peru, Puerto Rico, Dominican Republic, USA, Uruguay, Venezuela
Operating countries in Africa	Senegal, South Africa	Cape Verde, Egypt, Tanzania
Employees (2010 data)	Over 18,000	Over 35,000
Revenue (in millions of US dollars at year end 2011)	1,343	1,335.3
Listed/non-listed	Listed	Listed
Stock listing code	NHH	MEL
Latest Report	2010	2010
Member of Madrid's IBEX 35	Yes	Yes
Report type	GRI-G3	GRI-G3
Application level	A+	A+
Status	GRI-Checked	Third-party-checked
International certifications	Not Applicable	ISO 14001; EMAS European Regulations; Earth Check; Biosphere Hotel Standards

Note. Bloomberg (n.d.); Global Reporting Database (n.d.); MHI (2011a, 2011b); HN Hotels (2011a, 2011b); Sustainability Disclosure Database (n.d.).

CSR Specific Activities

Based on Hart & Milstein (2003) and the four key elements they identify to achieve sustainable development previously mentioned, the key activities Meliá Hotels International and NH Hotels carry out in each of those areas are presented.

Focus actions in the lines of reducing environmental damage (which result from rapid industrialization). There are significant actions firms can carry out in order to reduce water or energy consumption, ranging from lowering bills to minimizing environmental impact. Hotel environmental impacts also involve waste reduction and recycling, water conservation, water and soil pollution reduction, air pollution reduction, responsible design, construction and renovations, biodiversity protection, prevention of ozone layer depletion, and noise reduction.

Meliá Hotels International conducts specific activities with regards to reducing environmental damage with lower electricity consumption (MHI, 2011b, p. 33-34). They achieve this by using technical standardization of efficient lighting system as “sustainable lighting”, as well as using LED technology and electric eco-efficient appliances (2011b, 33-34).

NH Hotels similarly makes use of LED technology and electric eco-efficient appliances to reduce their energy consumption. Additionally, they substitute traditional equipment with low-energy-consumption versions (e.g. minibars, solar filters for windows, etc.). Furthermore, they have installed approximately 4,400m² of solar and photovoltaic panels in several hotel’s rooftops; as well as adapting lights to a specific schedule so that natural light is used during daytime. As far as reduction in plastic use, NH has replaced traditional material elements (e.g. amenities, office appliances, laundry bags, etc.) with others made out of biodegradable plastic (NH Hoteles, 2011b).

NH Hotels works in the reduction of water use and recycling by implementing a new WC in all the bathrooms and restrooms of their hotels, reducing by 25% their water consumption and saving 640,000 liters per year (NH Hoteles, 2011b, p. 18). Complementary to this, NH is researching to achieve re-using water, i.e. “grey water” (2011b, p. 19). Furthermore, they have applied new technologies to towel manufacturing, thus lowering water and energy consumption (2011b, p. 19).

On the water reduction line, Meliá Hotels International has achieved to control the spillage levels their hotels produce and the connections to the public sewage system (MHI, 2011b, p. 36). In doing so, Meliá’s hotels feed waste water to the local public purification plan, and in 3% of their facilities, they have their own purification systems or septic tanks (2011b, p. 36). With regards to recycling, Meliá has committed to the EU recycling policies (see European Commission, 2010); and the firm reached an agreement with the European Recycling Platform (ERP) for the collection of batteries and accumulators (MHI, 2010, p. 31).

NH Hotels has also committed to the EU recycling policies. Additionally, they use recycled materials in TV sets as well as created a new initiative called “*Cork2Cork*”, in which they re-use corks and create eco-façades for hotels (NH Hotels, 2011b, p. 19). The firm also works pro-lowering their CO₂ emissions by making new agreements with partners to reduce indirect emissions from suppliers’ transportation of inputs (2011b, p. 18). NH has likewise promoted the use of electric cars, installing charging points (2011 b, p. 19).

Meliá Hotels and NH work in the protection of the environment and natural resources, both companies using fair trade and recycled products (MHI, 2010, p.65; NH Hoteles, 2011b, p. 29). Additionally, NH is using wood certified by the Program for Endorsement of Forest Certification (PEFC) for the construction of their new establishments (NH Hoteles, 2011b, p. 28).

Operating for the civil society with greater transparency. Influencing the community’s wellbeing and prosperity implicates improving life quality; raising employee, customer, or public awareness of sustainable development; and getting them involved, offering responsible or

healthy product choices; and creating a safe environment for customers (De Grosbois, 2012). In doing so, transparency and accurately informing their stakeholders becomes essential.

Here are some of NH Hotels' most relevant campaigns and collaborations with society and the community:

- Creates campaigns to improve customers or stakeholders' sensitivity towards environmental matters (importance on reducing water consumption, promoting the use of recycled-based products, etc.) (NH Hotels, 2011b, p. 26).
- The firm is an active member of International Tourism Partnership (ITP), as well as the Spanish Excellence in Sustainability Club (2011b, p. 9), and the Water Technological Institute (NH Hotels, 2010, p. 41).
- Collaborates with local associations, as for instance the Riviera Maya Hotel's Association or CORAL Reef Alliance (NH Hotels, 2010, p. 42), working towards the preservation of biodiversity, protecting the environmental footprint, and promoting good deeds in the tourist sector (NH Hotels, 2010, p. 42).
- The corporation's Knowledge Management Program provides an exchange of knowledge between employees of different branches, as well as participating in national or international conferences, collaborating with other corporative universities in the sector in order to share best practices (NH Hotels, 2011b, p. 33).

Meliá Hotels International has also contributed to greater transparency and showing the effects of their policies towards committing to a highly sustainable strategic management and practice. Herein some of their initiatives are detailed:

- Twenty-seven of their hotels hold now an environmental certification (MHI, 2011b, 28).
- Creating a reporting system to inform and quantify the generation of waste in hotels to provide reliable and consistent data, accurately showing the scope of the environmental impact (MHI, 2011b, p. 37).
- Establishing campaigns to raise awareness on biodiversity and the importance of the environment in which each hotel is located (MHI, 2010, p. 32-33).
- Replacing the Christmas sales campaign with a project to protect endangered animal species, by which the firm donated 1 euro to WWF Spain for each reservation made during that period of time (MHI, 2010, p. 33). Through social media the firm allowed consumers to vote for which of the biodiversity recovery projects they wanted the money to be destined to (2010, p. 33).
- Cooperating with TUI Travel (the leader travel group in the European market) in the distribution of a specific guide in which they educated clients on souvenir purchasing (MHI, 2010, p. 33). Hence, consumers will be aware if products have been made with plants or parts from endangered animals, and make their purchase-decision on a more informed basis.

Creating radical innovations based on new technology that allows for reduction of environmental footprint and social damage. Hotel industry is responsible for maximizing linkages to local economy, looking to make the most of the relationship with local suppliers. This is a key initiative to social responsibility within a destination, especially in Developing and Least Developed Countries (Di & LDCs). One on the most important weaknesses of tourism development in Di & LDCs is economic leakage due to international amenities and ingredients imports in order to satisfy costumers' standard level.

- NH created the "Ecomeeting" concept, in which events, congresses, and conventions are organized based on sustainability requirements ensuring a respectful use of energetic resources, using products with low environmental footprint and fair trade (NH Hotels, 2011b, p. 28).
- "Intelligent room" is a new concept created by NH through which the consumer's energy, light, and water consumption can be measured, and therefore allow for a greater understanding of customer's use and create new future strategies to lower even more the environmental footprint (NH Hotels, 2011b, p. 28).
- NH created specific programs to prevent occupational hazards, applicable to all employees independent of their hierarchical position in the firm (NH Hotels, 2010, p. 33), together with emergency measures in hotels located in dangerous areas or proceedings, and protection for pregnant women (NH Hoteles, 2010, p. 49).

Meliá, on the other hand, has created some of the following innovations to promote sustainability:

- SAVE project, Meliá's own initiative to reduce the environmental impact of the business applicable to 200 establishments, includes all the different measures that can be undertaken in order to minimize the environmental footprint, introducing the best practices of each corporate branch and technical system's standardization agreement (MHI, 2011b, p. 31-36).
- Incorporating an internal portal for employees where they can access corporate information, applications, and other services while providing "PC points" to allow access to those staff members who do not have a computer in their work place (MHI, 2011b, p. 44).

Fulfilling basic needs of world's lowest social class to enable creation of wealth and fair income-distribution. Ethical treatment of staff is another key principle of a successful CSR program. While the industry as a whole is often reliant on temporary or low-paid workers, if staff are well looked after then they can turn into a company's biggest asset, rather than just a drain on management time.

Although hotel chains have been addressing environmental concerns for years, the labor issues that affect the hospitality industry have only recently come to light (Dodds & Joppe, 2005). These include fair wages, women's rights, skills requirements, ability to join trade unions, and collective bargaining. The two firms herein studied have committed to CSR-labor-related-activities by enlarging their female workforce, as well as providing training courses for their employees.

Among NH's most important actions, the most outstanding ones are:

- NH has more than 260 social collaborations, from which more than 230 NGOs and other foundations get support (NH Hotels, 2010, p. 37).
- NH's employees range from young adults to over 40-year-old adults, out of which there is a large proportion of immigrants (almost 17% of their employees work in a country different from their home nationality) (NH Hotels, 2011b, p. 31). This allows people to move globally, providing opportunities for people in each country where the company operates to have a steady job.
- NH Hotels believes in equality (holds a certification in Equality), including among their employees similar proportion of men and women (NH Hotels, 2010, p. 31), and also including handicapped or disabled people with its UP! for Opportunities program, Up! for Volunteering, and Up! for Hospitality (2010, 36-37).
 - Through these initiatives, NH incorporates people with some degree of disability or young adults with a risk of social exclusion, providing equal opportunities to every individual. Thus, the firm promotes a sense of solidarity and contribution for society. Additionally, NH collaborates with NGOs and Global-scale foundations.
 - Up! for Volunteering comprises: International campaign "Christmas for Everyone", creation and development of a school-hotel in Ethiopia, help, through employees and clients' donations to Haiti Earthquake's victims and collaboration to victims of Veracruz's Earthquake (NH Hotels, 2010, p. 36).
 - Up! for Opportunities embraces: Youth career initiative (Mexico); Obra Padre Mario (Argentina); Youth Bank (Germany); Hotel and restaurant training (Spain) (NH Hotels, 2010, p. 36).
 - Up! for Hospitality includes: "Menudos Corazones", a specialized program that provides accommodation for relatives of people who are waiting for heart transplants in Madrid's hospitals (Spain); "NH Solidary Friend" program (Spain); "Heart Host" together with UNICEF (Mexico) (NH Hotels, 2010, p. 36-37).
- The hotel firm NH has created "NH University", a corporative education center where employees can receive specialized training in different fields related to tourism and leisure management, from technical knowledge to how to achieve quality excellence, providing employees an opportunity for improvement (NH Hotels, 2011b, p. 32).

Among Meliá's most relevant initiatives:

- Investment in over 90,000 hours of training in Spain only, destined to improve employee's skills and qualifications (MHI, 2011, p. 58). This will allow the workforce to be fit for promotions and improvement of their socio-economic status.

Any single policies outlined above can secure benefits for those in the hotel industry. However, by combining them they become an effective means of structuring a sound business strategy going socially forward. Purchasing decisions are governed by ethical factors, rather than solely price-representing an advantage any firm should take advantage of.

It has also been noted that, both NH Hotels and Meliá Hotels, have been awarded several international certifications, standards and prizes, being some of the most relevant:

- NH Hotels' most relevant awards and certifications.
 - Diamond Prize in Purchasing 2010 (Spanish Association of Purchases, Hiring, and Supply [AERCE]) (NH Hotels, 2010, p. 21).
 - 3S Awards 2010, awarded by The Global Sourcing Council (GSC), a global non-profit organization for people and organizations with an interest in the social and economic effects of sourcing, as best initiative in global supplying (NH Hotels, 2010, p. 21).
 - Green Certification Project (more than 70 hotels have been awarded this environmentally friendly certificate) (NH Hotels, 2010, p. 28).
 - GreenLight Acknowledgment, a voluntary program in which organizations commit towards the European Union to reduce their lighting energy use, for all NH Hotels (NH Hotels, 2011b, p. 27).
 - GreenBuilding Acknowledgment for 5 of the company's hotels (achieving a 25% reduction in energy consumption) (NH Hotels, 2011b, p. 27).

- Meliá Hotels International's most important awards and certifications.
 - RCI® Gold Crown awarded to the Sol Meliá Vacation Club resorts in the Dominican Republic (MHI, 2010, p. 17).
 - RCI® Pinnacle Award, granted to the Sol Meliá Vacation Club for its excellent sales volume and performance (MHI, 2010, p. 17).
 - Best Spanish Hotel Chain Award, announced by the Agent Travel tourism magazine (MHI, 2010, p. 17).
 - Most International Spanish Hotel Chain, i.e., the most extensive domestic and international presence according to a leading hotel industry magazine, Hosteltur (MHI, 2010, p. 17).

When compared to the global trend in this sector, these firms are outperforming their peers. Levy (2011) conducted a study identifying CSR practices of a wide range of hotel companies, and identified some still do not have a formal corporate governance system to measure, monitor, or report on sustainability practices. This author also points out those enterprises that have the best practices educate their employees on environmental issues and implement employee-policies for safe, healthy, and fair work conditions, water consumption reduction in guest rooms, provide customers with healthier food, among others (2011). NH and Meliá Hotels have not only been carrying out these activities, but also going beyond the average actions done in the sector.

Conclusions

During the course of the study conducted, several findings came to light, adding to the knowledge gathered in academia and practice with regards to companies operating in the Spanish tourism industry and implementation of CSR strategies, policies, and that have these kinds of initiatives as a core element when planning for the firm's future.

Academia and practice have perceived CSR as desirable not only to the society in general, but also for firms themselves (Njite, Hancer, & Slevitch, 2011). CSR involves commitment beyond legal compliance, which tackles a wide range of stakeholders in addition to employees and shareholders. As it was mentioned, the hotel industry is uniting to other sectors in a worldwide

trend regarding CSR actions' implementation. Under the limited resources and increasing material prices, how to select optimal CSR programs and to evaluate their costs becomes a crucial problem for international tourist hotels, especially in global competitive markets (Tsai, Hsu, Chen, Lin, & Chen, 2009).

It has been proved CSR initiatives bring financial benefits to hotel firms, identifying a relationship between CSR and financial profit (García-Rodríguez & Armas-Cruz, 2007; Lee & Park, 2009). Hart & Milstein (2003) have identified four key elements strategic planning should have with the purpose of successfully carrying out CSR activities and achieve sustainable development. In the present analysis, based on the tourism industry in Spain, two of the most recognized companies have been identified as "best practice cases": NH Hotels and Meliá Hotels International.

Both firms incorporate significant actions when focusing on reducing environmental damage. Reducing energy consumption through new technologies, using recycled materials, and basing their inputs on fair-trade products are some examples of those actions. In the case of operating for the civil society with greater transparency, it shall be noted that NH as well as Meliá Hotels International subscribe to the Global Compact Organization, while using GRI reporting standards to create their sustainability documents. This provides greater transparency as they carry out activities in line with internationally accepted practices and guidelines.

According to Casaldàliga and Horno (2012) the level of CSR implementation in the Spanish hotel industry is still in its initial phase. Progress is being made thanks to the growing demands of some of the major tour operators (2012). Notwithstanding, there is broad consensus that advances in CSR lead to positive economic impacts in hotels (2012). These benefits are related to better understanding of their customers' needs and expectations, improving employees' productivity due to better training and higher motivation, achieving more efficient savings or innovating new products or processes able to achieve competitive advantages (2012).

With reference to creating radical innovations based in new technology which allows for environmental footprint and social damage, both firms act towards achieving this. By creating the "eco-meeting" concept in the case of NH or the SAVE project by Meliá, where common environmentally friendly best practices are shared within the organization. Furthermore, both firms consider the community, in which they operate an essential asset, thus acting towards fulfilling basic needs of world's lowest social classes to enable creation of wealth and fair income distribution. Considering NH as well as Meliá operate also in developing countries, which are home to the world's lowest class, they embrace their responsibility by creating specific programs (e.g. Up! by NH), contributing to mitigate inequality.

The effort should start somewhere and the sector's role needs to be developed. This means that further discourse on this issue should concentrate on understanding the drivers and barriers of adopting responsible behaviors, and possible ways to enhance the former while mitigating the latter. Such knowledge is crucial in the effort to increase hotel business' involvement and adoption of responsible behaviors (Kasim, 2006).

Provided the novelty of the topic studied and the existing available data, the contrast of this study is a first step towards understanding effects of CSR strategies in tourism sector firms. Future studies on the matter can expand, compare, and contrast the results the present analysis is portraying for a reduced number of firms.

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