Eco-friendly initiatives and corporate reputation: the mediating effect of corporate social responsibility

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Keywords
Green/eco-friendly activities (initiatives), corporate reputation, corporate social responsibility, hotel/hospitality industry, sustainability

Abstract
In contemporary global competition, businesses have been under growing pressure from various stakeholders to manage rare resources and investigate the environmental impact of their actions. The need for sustainable development and green marketing has gained significant traction because of heightened public awareness of several environmental issues. The goal of sustainability is depicted as a long-term process that requires reconciling environmental concerns with social and economic ones. Green marketing is becoming increasingly popular as a means for companies to demonstrate their commitment to corporate social responsibility while gaining a competitive advantage in the marketplace and improving their corporate reputation. This research investigates the effect of green eco-friendly initiatives on corporate reputation. In addition, it examines the effect of corporate social responsibility as a mediator between the green activities implemented by the hotels and their corporate reputation. The researcher selected the Green Star hotels in the Red Sea in Egypt. Data was gathered through online self-administered questionnaires from a sample of 384 hotel guests. Statistical analysis was undertaken to examine the collected data using the proper statistical techniques and tests. Results revealed that green/eco-friendly activities significantly positively affect a hotel’s corporate reputation.

Furthermore, corporate social responsibility mediates the relationship between green/eco-friendly activities and corporate reputation. The results revealed that green/eco-friendly activities have a significant positive indirect effect on corporate reputation in the presence of corporate social responsibility. Besides, the results also demonstrate that eco-friendly and CSR activities may benefit developing and emerging economies. Research findings were discussed to reflect the researcher’s interpretation and perception of the outcomes. The research provides hotel marketers with practical implications for using eco-friendly and CSR initiatives.

1. Introduction
During the past few decades, firms have faced increasing pressure from various stakeholders to examine the environmental effects of their activities (Abbas & Sağsan, 2019; Abbas, 2020). Due to the increased public awareness about many environmental problems, such as scarce resources, climate change, air, soil, and water pollution, the need for sustainable development and green marketing has gained considerable traction (Pathak, 2016). The ultimate objective of sustainability is presented as a long-term process that involves balancing environmental concerns with social and economic ones. To remain viable in the long term, companies are under increased pressure to meet their social and environmental responsibilities and to adapt their business operations and practices to reflect this (Saadatian et al., 2012); (Punitha & Rasdi, 2013). Thus, the green marketing concept has emerged and been incorporated into the core operations of many firms worldwide. More and more organisations are using green marketing to perform corporate social responsibility (CSR) to achieve a competitive advantage and enhance their corporate reputation (Punitha & Rasdi, 2013).

Thus, “green marketing” refers to a holistic marketing approach in which the creation, marketing, consumption, and disposal of products and services are environmentally friendly (Virdi & Gill, 2016). As a result of government restrictions and other factors, most businesses worldwide have incorporated environmental considerations into their corporate strategies (Pathak, 2016). Moreover, customers have grown more environmentally conscious, favouring eco-friendly products, and perceiving socially
responsible buying behaviour as more appropriate. Accordingly, green marketing initiatives include all businesses’ activities to create, differentiate, innovate, and sell products to satisfy customer needs and desires without harming the environment. Therefore, most industries face the challenge of being more environmentally friendly (Widyastuti et al., 2019).

As one of the services industries, travel and tourism contributed around 389 billion Egyptian pounds to the country’s overall gross domestic product (GDP) in 2018, making it one of Egypt’s most critical economic spheres. It also employs 1.25 million people across the country, making it one of the largest employers in the country (Galal, Nov 22, 2021). By 2028, it was anticipated to have contributed roughly 601 billion EGP to the Egyptian economy (Galal, Apr 27, 2022). The hotel industry, a part of the travel and tourism industry, consumes massive amounts of energy, water, and non-durable materials and causes more significant environmental harm than other service categories (Fatma et al., 2018; Punitha & Rasdi, 2013). Because of these environmental concerns, many hotels worldwide have introduced a variety of green activities into their everyday operations (Aragon-Correa et al., 2015; Pathak, 2016) and have reaped these benefits. In the hospitality sector, implementing and communicating green practices influences the corporate reputation positively and, thus, the consumer’s intention to visit hotels (Chen et al., 2014; Gao and Mattila, 2014; Kim et al., 2013). In addition, it helps the hotel achieve a competitive advantage over its rivals (Chen & Tung, 2014; Gao & Mattila, 2014; Pathak, 2016).

Green marketing and eco-friendly activities are becoming more popular as a strategic endeavour in hospitality. According to Agrawal et al. (2015), corporate reputation is considered a valuable intangible asset that can hardly be imitated. A good corporate reputation boosts a long-lasting relationship with its customers and thus offers the company a competitive and sustainable advantage. Therefore, CSR initiatives may be used to convey a positive image to the public and stakeholders (Nguyen & Nguyen, 2020; Pathak, 2016).

Companies can reduce their environmental impact, increase their long-term economic and social well-being, and create value for all stakeholders by implementing CSR initiatives (Currás-Pérez et al., 2018; Boccia & Sarnacchiaro, 2018). Society will oppose a business that disregards social, economic, and environmental considerations. Therefore, the application of CSR has several advantages for the firm, particularly in maintaining and enhancing its brand image. A company’s reputation would be harmed if it produced environmentally irresponsible items, degraded the environment, or did not fully respect the rights of its customers (Widyastuti et al., 2019). Today’s hotel guests are increasingly knowledgeable about CSR practices (Fatma et al., 2016), and socially responsible practices influence their hotel selection. By indulging in sustainable development initiatives, hotels strive to promote and implement energy savings, preservation, and recycling while simultaneously offering hotel consumers a sustainable, pure, and safe product. Thus, it is crucial to understand how hotels contribute to the environment. As the scope and level of CSR efforts differ by industry, this research examines how adopting different environmentally friendly business strategies may improve the hotels’ corporate reputation through implementing corporate social responsibility initiatives (Fatma et al., 2018).

2. Literature review
2.1. Green marketing

The concept of green marketing has seen several changes since its inception, and as per Peattie’s (2001) perspective, it has gone through three phases. "Ecological" green marketing was the first phase, where all marketing actions were geared toward solving environmental issues and providing solutions. Next came "environmental" green marketing, where the emphasis was placed on developing new clean technology goods to address pollution and waste challenges. Thirdly, "sustainable" green marketing was implemented and gained popularity during the late 1990s and the beginning of the new millennium (Chowdhury & Dasani, 2021).

In 1969, Lazer was the first to propose green marketing as a social facet of marketing strategy. Some other terms for green marketing include "eco-marketing," "ecological marketing," "environmental marketing," "green product marketing," and "sustainable marketing" (Polonsky, 1994). From Kotler and Armstrong’s (2009) point of view, customers and companies may benefit from green marketing by meeting their current requirements while simultaneously conserving and expanding their potential to satisfy the
needs of future generations. In addition to satisfying customer needs, green marketing considers the environment and promotes corporate social responsibility (Nguyen & Nguyen, 2020). According to the American Marketing Association (AMA), "green marketing" is a marketing strategy for items that are perceived to be environmentally friendly. It delivers eco-friendly, sustainable items, production methods, packaging changes, and product alterations in marketing promotions and ethical business decisions. By utilising the best ingredients available from limited resources, green marketing ethics help to reduce negative environmental consequences and delight customers (Widyastuti et al., 2019).

Faster economic growth; mass production of goods using cutting-edge technology; an increasingly comfortable and deluxe lifestyle; intense competition; the adoption of harmful marketing tactics and techniques to attract customers; overstatement in advertising; the rise of multinational corporations; deregulation and globalisation; and other issues have resulted from the expansion of marketing activities. All of them have put people's well-being and ecological equilibrium in jeopardy. Economic growth threatens the peaceful way of life of people on Earth. Large factories are now the source of a variety of pollutants. Many products' development, use, and eventual disposal have harmed the environment. With increasing awareness about many environmental concerns, such as global warming, inorganic solid waste, and the harmful impact of pollutants, marketers and consumers are becoming more sensitive to the need to convert to green products and services.

Green marketing, therefore, is a holistic concept that aims to safeguard consumers' well-being and the natural environment by producing, consuming, and disposing of environmentally responsible products and services (Virdi & Gill, 2016). To go green, Yuan and Xiang (2018) argue that organisations primarily emphasise changing operations into eco-friendly activities by introducing fundamental changes in the product or service's operational procedures. Furthermore, Ko et al. (2013) see that green/eco-friendly initiatives effectively bolster corporate reputation as they reflect a favourable image of the company and demonstrate commitment to society (Pathak, 2016; Supriyatno & Handayani, 2018). Accordingly, companies have a great chance of acquiring more customers (Abbas, 2020).

2.2. Corporate reputation

Corporate reputation (CR) is a value assessment regarding a company's attributes (Gray & Balmer, 1998). As defined by Fombrun (2005) and Sánchez-Torné et al. (2020), it is a collective depiction of a firm's past activities and prospects that reflects how important stakeholders perceive and appraise the company's endeavours and its capacity to achieve valued results. Corporate reputation is a distinctive intangible asset that is difficult to replicate (Agrawal et al., 2015; Nguyen & Nguyen, 2020) and represents a vital part of a company's identity (Bati, 2016). Moreover, Walsh and Beatty (2007) assert that it can give the company an edge in the market.

Kim and Kim (2017) found that a company's level of corporate reputation (CR) positively affects how loyal and happy its customers, employees, suppliers, and shareholders are. It also influences customers' trust online (Casalo et al., 2007), lowers brand uncertainty in emerging markets (Heinberg et al., 2018), and boosts buy intent (Jung & Seock, 2016). A high CR minimises problems caused by asymmetric information when targeting a new market (Sánchez-Torné et al., 2020). Customers' attitudes and views of organisations are shaped by their reputation, which creates incentives for purchase and brand growth. As a result, businesses place a premium on activities that enhance their reputation (Arseculeratne & Yazdanifard, 2014; Nguyen & Nguyen, 2020). The company's reputation will reveal how well it meets stakeholder expectations (Khan, 2015).

2.3. Corporate social responsibility (CSR)

CSR conceptualization

As environmental conservation and sustainable development promote worldwide trends, businesses become compelled to act responsibly toward society and the environment (Nguyen & Nguyen, 2020). The evolution of the contemporary understanding of corporate social responsibility (CSR) as a conceptual framework can be traced back to the 1930s, when the dispute regarding the social duties of the business sector first started (Agudele & Davidsdóttir, 2019). However, the most dominant and decisive definition of CSR is Carroll's (1979). He stated that the company's social responsibility involves four essential
responsibilities, namely the economic, legal, and ethical, as well as the discretionary (also known afterwards as philanthropic) responsibilities that society places on organisations at a given time (Eshra & Beshir, 2017; Nguyen & Nguyen, 2020). In 1991, Carroll put these four responsibilities into the shape of a pyramid, which has become the most popular and widely used corporate social responsibility model in the academic world (Punitha & Rasdi, 2013).

In the 1980s, the CSR concept became more business-oriented (Yang & Aguo, 2014). Even though companies feel committed to the community, they must think about their stakeholders directly or indirectly associated with them (Maignan et al., 2005). Stakeholders' contributions to the provision of resources are critical to the long-term viability of a business. According to the stakeholder management theory established by Freeman (1984), stakeholders are the primary targets of corporate social responsibility (CSR). It is a collection of economic, social, and environmental actions that the corporation conducts to meet its commitments to each of these groups (Carroll, 2006; Khan et al., 2015; El Akremi et al., 2018). Moreover, Pratihari and Uzma (2018) believe that CSR actions should help all stakeholders accomplish their own goals and develop strong emotional relationships with them. According to Barnett (2007) and Moliner et al. (2020), CSR can generate value for the company.

The "sustainable paradigm," coined at the same time as this theory, emphasises the importance of addressing current needs without compromising the well-being of future generations (Bruno & Sarabia-Sanchez, 2019). According to the idea of sustainable development, Panwar et al. (2006), White (2009), and Eldin & Alhassan (2023) defined CSR as a multidimensional, proactive, strategic, synergistic, and business-level philosophy. Companies must focus on the triple bottom line: economic development, environmental conservation, and social improvements. Companies can create value for all stakeholders through corporate social responsibility (Sarnacchiaro, 2017). The researcher defines corporate social responsibility as a commitment that helps companies reduce or eliminate adverse impacts and improve long-term economic and social well-being. It is done by voluntarily integrating social and environmental concerns into core business strategies and operations in its interaction with stakeholders while upholding ethical values and legal obligations.

Dimensions of hotel CSR

Social activities are essential to numerous desirable outcomes in the services sector, notably the hotel sector (Singal & Rhou, 2017). Therefore, hotel CSR has been defined as a hotel's approach to managing its business practices and accepting responsibility for its impact on society (Wong & Kim, 2020). Moreover, hospitality organisations employ CSR initiatives as a business strategy to gain a competitive advantage and develop long-term customer relationships (Fatma et al., 2016). Even though CSR's purpose and scope are a point of debate, past studies have identified its core domains. For example, in 1991, Carroll offered the CSR pyramid with its four main dimensions, namely, economic, legal, ethical, and discretionary responsibilities. However, this proposed hierarchy of CSR layers was produced in a developed country's context. Accordingly, Visser (2008) reconstructed Carroll's model to adapt it to the developing country's context. Considering these four main factors, a socially responsible company should try to make more money, do the right thing, follow the law, and be a good corporate citizen.

The hotel industry is distinguished by its intangibility, perishability, and inseparability of products and services. In the field of hotel CSR research, Carroll's model is by far the most popular and commonly utilised option (Wong & Kim, 2020). Even though Carroll (1991) regarded environmentalism as an ethical concern, it was argued that the environmental dimension should be considered an individual domain due to its growing influence and awareness. Therefore, Wong and Kim (2020) suggested a hotel CSR construct by adding the environmental domain to the four-dimensional CSR framework of Carroll (1991) and Visser (2008). This result is consistent with the studies of Dahlsrud in 2008 and Bianchi et al. in 2019. In 2016, Masoud integrated Carroll's and Visser's models to develop the CSR's International Pyramid model with the main economic, global, legal/ethical, and philanthropic domains.

The financial/economic domain is essential to a hotel's survival and long-term viability and its ability to attract investors and owners willing to allocate a portion of their money to various social responsibility programs (Dahlsrud, 2008; Wong & Kim, 2020). Owners and shareholders have a right to expect a profit from firms. At the same time, they contribute to the economy by creating employment and delivering
goods and services that may be profitably sold (Visser, 2008; Punitha & Rasdi, 2013; Eshra & Beshir, 2017) but also at reasonable prices to fulfil the needs of society (Rahim et al., 2011). A competitive advantage is gained through finding more effective ways to run the business and developing new products and services that will help the company grow its income (Punitha & Rasdi, 2013).

The legal domain refers to CSR’s legal responsibilities, such as adhering to laws, rules, and legal requirements (Wong & Kim, 2020). Corporations are expected to operate within the framework of rules and regulations to comply with society’s and stakeholders’ expectations. In addition, a successful business should be known for meeting its legal commitments. Carroll & Shabana (2010) explained that consumers expect that enterprises will satisfy the legal requirements for product safety, quality, and correct information. The company’s performance will suffer if these requirements are not met (Eshra & Beshir, 2017). The government plays an essential role in attending to and protecting the people's interests. Established legislation can also serve as a tool to instruct stakeholders about proper behaviour without the need to compromise (Punitha & Rasdi, 2013).

Ethical obligation covers those behaviours and practices that are required or banned by society that go beyond the boundaries of legal responsibilities in terms of fairness and justice (Rahim et al., 2011). It may include preserving the environment for future generations, respecting civil rights, and embracing socially accepted moral norms or values. The stakeholders’ moral rights, such as consumers, workers, and shareholders, are at the heart of ethical responsibility reflected in the norms and expectations (Punitha & Rasdi, 2013). Rahim et al. (2011) confirmed that consumers expect firms to conduct their operations ethically and are even prepared to pay more for items produced by ethical companies. The consistency with which a firm promotes morale and ethical standards may be used to assess business performance; when a firm practices solid corporate citizenship, its operations are trusted. The balance between economic, legal, and ethical obligations is crucial (Eshra & Beshir, 2017). Punitha and Rasdi (2013) agree that since enterprises profit from the public, they must conduct themselves ethically and consider society's well-being. This gives them a competitive advantage to create a favourable image in society and attain wealth.

Corporate social/philanthropy is expected by society, and hotels are encouraged to donate their resources and time to charitable causes such as the arts, education, and communities (Wong & Kim, 2020). As Carroll (1991) argues, managers and employees should engage in community service and philanthropic activities that improve the quality of life in their local communities. Philanthropy is the most optional and discretionary aspect of corporate responsibility and has not always been related to earnings or the firm's ethical culture. However, it may aid in creating and maintaining a company's image or reputation, enhance its long-term competitiveness in the market, and increase staff loyalty and customer satisfaction (Rahim et al., 2011). As a result, philanthropic actions are mutually beneficial for businesses and the communities in which they operate (Eshra & Beshir, 2017).

The environmental aspect of corporate social responsibility is concerned with the organisation's environmental and natural resource stewardship (D’Acunto et al., 2019). It focuses on the preservation of a healthy environment. Sustainability in environmental protection displays an organisation's duty toward the planet. Among other things, this manifests in avoiding contamination of water, soil, and air. In addition to using appropriate materials and chemicals and installing filters and sewage treatment facilities, there is also waste segregation and recycling. According to the TBL, a company's goal should be to maintain as much of its natural environment as possible while limiting the harm it causes. It has been confirmed that an organisation that offers people work so that they may earn a living should not simultaneously deteriorate or ruin the environment in which they must live. Manufacturers consider the total environmental cost of a product’s lifecycle (Zak, 2015; D’Acunto et al., 2019; Garcia-Piqueres & García-Ramos, 2021). Pan et al. (2021) claim that environmental CSR practices refer to a company’s efforts to reduce its environmental imprint while making production more effective and sustainable. Moreover, García-Piqueres and García-Ramos (2021) declared that incorporating economic and environmental CSR practices into a company's strategy may help increase its competitiveness and ecologically friendly processes and products. Satisfied customers focus on environmental aspects when rating their overall hotel experience (D’Acunto et al., 2019).
3. Research Methodology

3.1. Hypotheses development

As a company's most asset, corporate reputation is critical to its success and represents an actual strategic significance. This reputation is a vital part of the company's identity; it also provides a distinct competitive advantage due to the difficulty of imitating it. Activities that fall under the "green marketing" rubric include everything from product development to distribution. In today's business climate, green marketing is becoming increasingly vital. This advantage also helps a company's long-term success regarding how customers buy things and how well its employees do (Bati, 2016). As previously reported by Chen (2008), Ko et al. (2013) and Pathak (2016), green marketing initiatives implemented by hotels show a significant favourable impact on consumers' perceptions and corporate reputation. Hotels demonstrate their concern and commitment to society by adopting eco-friendly behavioural practices. Accordingly, the researcher suggests the following hypothesis:

$H_1$: Green/ Eco-friendly activities have a direct effect on corporate reputation.

From a stakeholders' perspective, a company's reputation is based on the signals they get about its conduct in the marketplace, such as product quality, financial performance, media exposure, and corporate social responsibility (Fatma et al., 2015). CSR may project a business’s favourable image to the public and stakeholders (Fombrun & Shanley, 2018). Insights from Fatma et al. (2015), Chatzoglou et al. (2017), as well as Hur et al. (2014) revealed that there is a significant relationship between the CSR activities a company is engaged in and its corporate reputation. By considering these initiatives, the company may establish a differentiation strategy at the corporate level and anticipate various positive outcomes. The company's reputation will reveal its ability to fulfil stakeholders' expectations. Furthermore, Fatmawati and Fauzan (2021) demonstrated that customer perceptions of CSR activities benefit business reputation. While Park et al. (2014) found that a firm's economic and legal CSR actions positively impacted its reputation, ethical and philanthropic activities did not.

Companies can utilise green/eco-friendly initiatives as an effective CSR tool to gain a competitive advantage since they reflect a favourable picture of the company and demonstrate the company’s ability toward society (Ko et al., 2013; Pathak, 2016; Bashir et al., 2016). It includes environmentally friendly goods and processes (e.g., production, packaging, and marketing communications) and ethical business decisions among the green marketing offerings. The researchers asserted that considering ethics within the company's eco/green marketing activities may help to minimise the negative environmental repercussions and optimise the usage of its resources. However, Zhang et al. (2019) and Abbas and Sağsan (2019) emphasise government assistance to encourage enterprises to switch to green operations. Therefore, the researcher proposes the following hypothesis:

$H_2$: Green/Eco-friendly activities (GA) have an indirect effect on corporate reputation (CR) in the presence of corporate social responsibility (CSR) as a mediator.

Emanates from hypothesis 2 the following sub-hypotheses:

$H_{3a}$: Green/Eco-friendly activities (GA) have an indirect effect on corporate reputation (CR) in the presence of economic responsibility (ER) as a mediator.

$H_{3b}$: Green/Eco-friendly activities (GA) have an indirect effect on corporate reputation (CR) in the presence of ethical–legal responsibility (ELR) as a mediator.

$H_{3c}$: Green/Eco-friendly activities (GA) have an indirect effect on corporate reputation (CR) in the presence of environmental responsibility (ENV) as a mediator.

$H_{3d}$: Green/Eco-friendly activities (GA) have an indirect effect on corporate reputation (CR) in the presence of social/philanthropic responsibility (SOC) as a mediator.

Based on these previous hypotheses, the research model is as follows:
3.2. Study sector and data collection

Egypt is the third country, after Saudi Arabia and the United Arab Emirates, in the MENA region to attract tourists. The tourism and travel industry are one of the main revenue streams contributing to the GDP in Egypt (Galal, Nov 22, 2021). The purpose of this study is to investigate the impact of green or eco-friendly initiatives on corporate reputation. Moreover, to examine corporate social responsibility as a mediator between the green activities adopted by hotels and their corporate reputation. Therefore, the researcher targeted the green star-certified hotels as they are practising green initiatives in their operations to protect the environment and satisfy the needs of their guests. According to the Egyptian Hotel Association (EHA), about eighty-eight hotels with over 25,000 rooms gained the Green Star Hotel Certificate (GHS) in 2019, located within fifteen destinations country-wide. The Red Sea is a tourist destination (Hurghada, Safaga, El Gouna, and Marsa Alam) famous for all its water sports activities, such as diving, snorkelling, wind- and kite-surfing, besides its ability as a beach facility. It represents 58% of the green hotels in Egypt (EHA, 2019).

As a result, the researcher chose green-star hotels in the Red Sea region. The data was gathered through an online survey. The study population consisted of all tourists that had visited one of these hotels. As the population is immeasurable, the sample size calculated was 384 respondents. All surveys were complete, valid, and reliable. The researcher collected the data for the research over eleven months starting in September 2021.

3.3. Measurement scales

The questionnaire was based on the scale proposed by Ko et al. (2013) to measure the green/eco-friendly activities in hotels. Questions on economic and ethical-legal responsibility were adopted from the study of Salmons et al. (2005). Next, the environmental and social/philanthropic responsibility were measured using the Wong & Kim (2020) scale. Finally, corporate reputation was measured using Petrick's (2002) scale. The different items of the six instruments were measured on a five-point Likert scale ranging from "strongly agree" to "strongly disagree". The final part of the questionnaire covered some demographic data from the respondents, including age, marital status, educational qualification, job position, and the destination of the last green hotel they visited.

4. Statistical analysis and results

The researcher used appropriate statistical tests by analysing the data on SPSS 24 and AMOS 26 software packages to serve the research objectives.

4.1. Demographic analysis

Table (1) shows the frequency and percentages of the sample demographic characteristics distributed among these classes using the frequency distribution technique.
4.2. Descriptive analysis

The research variables were analysed to determine measures of location such as mean, maximum, and minimum values and their measures of dispersion, standard deviation, and coefficient of variation for each variable. Table (2) presents the variables with their weighted average mean frequency. It is concluded that the weighted average means of the study's independent, mediator and dependent variables fall within the range of the agreed interval according to the Likert scale, which means that responses have low variability and are consistent with each other.

<table>
<thead>
<tr>
<th>Demographic Factor</th>
<th>Parameter</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gender</td>
<td>Female</td>
<td>184</td>
<td>47.9</td>
</tr>
<tr>
<td></td>
<td>Male</td>
<td>200</td>
<td>52.1</td>
</tr>
<tr>
<td>Age</td>
<td>16-25</td>
<td>143</td>
<td>37.2</td>
</tr>
<tr>
<td></td>
<td>26-35</td>
<td>85</td>
<td>22.1</td>
</tr>
<tr>
<td></td>
<td>36-45</td>
<td>78</td>
<td>20.3</td>
</tr>
<tr>
<td></td>
<td>46-55</td>
<td>44</td>
<td>11.5</td>
</tr>
<tr>
<td></td>
<td>56 &amp; above</td>
<td>34</td>
<td>8.9</td>
</tr>
<tr>
<td>Marital status</td>
<td>Divorced</td>
<td>52</td>
<td>13.5</td>
</tr>
<tr>
<td></td>
<td>Married</td>
<td>118</td>
<td>30.7</td>
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<tr>
<td></td>
<td>Single</td>
<td>174</td>
<td>45.3</td>
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<tr>
<td></td>
<td>Widow</td>
<td>40</td>
<td>10.4</td>
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<tr>
<td>Education level</td>
<td>Graduate</td>
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<td>59.4</td>
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<td></td>
<td>Postgraduate</td>
<td>80</td>
<td>20.8</td>
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<tr>
<td></td>
<td>Undergraduate</td>
<td>76</td>
<td>19.8</td>
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<tr>
<td>Job position</td>
<td>Entry level</td>
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<td></td>
<td>Middle Management</td>
<td>121</td>
<td>31.5</td>
</tr>
<tr>
<td></td>
<td>Retired</td>
<td>29</td>
<td>7.6</td>
</tr>
<tr>
<td></td>
<td>Top Management</td>
<td>71</td>
<td>18.5</td>
</tr>
<tr>
<td></td>
<td>Unemployed</td>
<td>106</td>
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<td></td>
<td>El Gouna</td>
<td>96</td>
<td>25.0</td>
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<td></td>
<td>Hurghada</td>
<td>102</td>
<td>26.6</td>
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<tr>
<td></td>
<td>Marsa Alam</td>
<td>102</td>
<td>26.6</td>
</tr>
<tr>
<td></td>
<td>Safaga</td>
<td>84</td>
<td>21.9</td>
</tr>
</tbody>
</table>

Table (1): Demographic Analysis

<table>
<thead>
<tr>
<th>Variable</th>
<th>Minimum</th>
<th>Maximum</th>
<th>Mean</th>
<th>Standard Deviation</th>
<th>Coefficient of Variation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Green/Eco-friendly Activities (GA)</td>
<td>1.50</td>
<td>5.00</td>
<td>3.91</td>
<td>1.04</td>
<td>0.265</td>
</tr>
<tr>
<td>Economic Responsibility (ER)</td>
<td>1.33</td>
<td>5.00</td>
<td>3.80</td>
<td>1.03</td>
<td>0.272</td>
</tr>
<tr>
<td>Ethical–legal responsibility (ELR)</td>
<td>1.50</td>
<td>5.00</td>
<td>3.93</td>
<td>1.04</td>
<td>0.266</td>
</tr>
<tr>
<td>Environmental responsibility (ENV)</td>
<td>1.50</td>
<td>5.00</td>
<td>3.94</td>
<td>1.03</td>
<td>0.261</td>
</tr>
<tr>
<td>Social/Philanthropic responsibility (SOC)</td>
<td>1.50</td>
<td>5.00</td>
<td>3.95</td>
<td>1.03</td>
<td>0.261</td>
</tr>
<tr>
<td>Corporate Reputation (CR)</td>
<td>1.40</td>
<td>5.00</td>
<td>4.02</td>
<td>1.04</td>
<td>0.258</td>
</tr>
</tbody>
</table>

Table (2): Descriptive Analysis

Source: Prepared by the researcher from SPSS output

Test of normality

The researcher used the Shapiro-Wilk test to determine whether the study's main variables followed a normal distribution or not. The results are presented in Table (3). It is concluded that all the independent, dependent, and mediator variables are not normally distributed as their p-value of the Chi-square statistic is less than 0.05. Therefore, the alternative hypothesis that the variables are not following the normal distribution is accepted.
Research variables’ reliability and validity
Cronbach's Alpha test was used to measure the degree of study variables' stability.

Heteroscedasticity test variables homogeneity
The regression models and the OLS method are used to show if the research model has the problem of random error instability and if the variables are endogenous to each other.

Variance inflation factor (VIF) test
It is concluded from Table (6) that there is no variable suffering from multi-collinearity as the VIF values do not exceed 10.
The Business and Management Review, Volume 13 Number 2
August 2022

Conference proceedings of the Centre for Business & Economic Research, ROGE-2022, 8-9 August

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Table (7): Spearman correlation coefficient matrix

<table>
<thead>
<tr>
<th>Variable</th>
<th>GA</th>
<th>ER</th>
<th>ELR</th>
<th>ENV</th>
<th>SOC</th>
<th>CR</th>
</tr>
</thead>
<tbody>
<tr>
<td>GA</td>
<td>1.000</td>
<td>-</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>P-value</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>ER</td>
<td>0.972**</td>
<td>1.000</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>P-value</td>
<td>0.000</td>
<td>-</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>ELR</td>
<td>0.986**</td>
<td>0.987**</td>
<td>1.000</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>P-value</td>
<td>0.000</td>
<td>0.000</td>
<td>-</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>ENV</td>
<td>0.978**</td>
<td>0.989**</td>
<td>0.996**</td>
<td>1.000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>P-value</td>
<td>0.000</td>
<td>0.000</td>
<td>0.000</td>
<td>-</td>
<td></td>
<td></td>
</tr>
<tr>
<td>SOC</td>
<td>0.981**</td>
<td>0.977**</td>
<td>0.993**</td>
<td>0.987**</td>
<td>1.000</td>
<td></td>
</tr>
<tr>
<td>P-value</td>
<td>0.000</td>
<td>0.000</td>
<td>0.000</td>
<td>0.000</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>CR</td>
<td>0.961**</td>
<td>0.967**</td>
<td>0.980**</td>
<td>0.982**</td>
<td>0.970**</td>
<td>1.000</td>
</tr>
<tr>
<td>P-value</td>
<td>0.000</td>
<td>0.000</td>
<td>0.000</td>
<td>0.000</td>
<td>0.000</td>
<td>-</td>
</tr>
</tbody>
</table>

Source: Prepared by the researcher from SPSS output

Structural Equation Modeling Analysis

The direct path analysis

The researcher used an SEM path analysis to determine if green/eco-friendly activities (GA) directly affect corporate reputation (CR).

The following Table (8) shows the model paths, the Unstandardised Coefficients, the Standardised Coefficients, the Standard Error (SE), their p-value, and the adjusted coefficient of determination ($R^2$) from the simple linear regression model Green/Eco-friendly Activities (GA) and Corporate Reputation (CR).

<table>
<thead>
<tr>
<th>Path</th>
<th>Estimate</th>
<th>SE</th>
<th>P-value</th>
<th>$R^2$</th>
</tr>
</thead>
<tbody>
<tr>
<td>Green/Eco-friendly Activities (GA)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Corporate Reputation (CR)</td>
<td>0.652</td>
<td>0.038</td>
<td>&lt;0.001</td>
<td>96.06%</td>
</tr>
</tbody>
</table>

Source: AMOS 26 software output

According to Table (8), green/eco-friendly activities (GA) have a direct and significant effect on corporate reputation (CR), with an estimated coefficient of 0.652, a p-value of <0.001, and an adjusted coefficient of determination of 96.06%. This means that 96.06% of the total variation in corporate reputation (CR) is due to a one-unit change in the independent variable green/eco-friendly activities (GA).

The indirect path analysis

The researcher used an SEM path analysis to determine whether green/eco-friendly activities (GA) have a positive effect on corporate reputation (CR) in the presence of the four CSR components: Economic Responsibility (ER), ethical-legal responsibility (ELR), environmental responsibility (ENV), and social/philanthropic responsibility (SOC).
The above Figure (2) shows the indirect path analysis model between the (GA) and (CR) in the presence of CSR components as mediators. Meanwhile, the following Table (9) shows the model paths, the unstandardised coefficients, the standardised coefficients, the standard error (SE), the t-test (CR), and their p-values.

<table>
<thead>
<tr>
<th>Path</th>
<th>Estimate</th>
<th>SE</th>
<th>P-value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Green/Eco-friendly Activities (GA) → Corporate Reputation (CR)</td>
<td>0.652</td>
<td>0.038</td>
<td>&lt;0.001</td>
</tr>
<tr>
<td>Green/Eco-friendly Activities (GA) → Economic Responsibility (ER)</td>
<td>0.035</td>
<td>0.461</td>
<td>&lt;0.001</td>
</tr>
<tr>
<td>Green/Eco-friendly Activities (GA) → Ethical-legal responsibility (ELR)</td>
<td>0.113</td>
<td>0.536</td>
<td>&lt;0.001</td>
</tr>
<tr>
<td>Green/Eco-friendly Activities (GA) → Environmental responsibility (ENV)</td>
<td>0.113</td>
<td>0.528</td>
<td>&lt;0.001</td>
</tr>
<tr>
<td>Green/Eco-friendly Activities (GA) → Social/Philanthropic responsibility (SOC)</td>
<td>0.122</td>
<td>0.534</td>
<td>&lt;0.001</td>
</tr>
<tr>
<td>Economic Responsibility (ER) → Corporate Reputation (CR)</td>
<td>0.112</td>
<td>0.001</td>
<td>&lt;0.001</td>
</tr>
<tr>
<td>Ethical-legal responsibility (ELR) → Corporate Reputation (CR)</td>
<td>0.114</td>
<td>0.002</td>
<td>&lt;0.001</td>
</tr>
<tr>
<td>Environmental responsibility (ENV) → Corporate Reputation (CR)</td>
<td>0.104</td>
<td>0.001</td>
<td>&lt;0.001</td>
</tr>
<tr>
<td>Social/Philanthropic responsibility (SOC) → Corporate Reputation (CR)</td>
<td>0.105</td>
<td>0.001</td>
<td>&lt;0.001</td>
</tr>
</tbody>
</table>

Table (9): Indirect path analysis model between the Green/Eco-friendly Activities (GA) and Corporate Reputation (CR) in the presence of Corporate Social Responsibility (CSR) as mediator.

Source: AMOS 26 software output

Multiple Regression Analysis

The following Table (10) shows the linear regression models for determining the effect of green/eco-friendly activities (GA) on corporate reputation (CR) in the presence of the four dimensions of corporate social responsibilities (CSR).
Table (10): The Multiple Regression models

<table>
<thead>
<tr>
<th>Model</th>
<th>Multiple OLS</th>
<th>Dependent variable</th>
<th>Corporate Reputation (CR)</th>
<th>( R^2 )</th>
</tr>
</thead>
<tbody>
<tr>
<td>Variables</td>
<td>Coefficient</td>
<td>p-value</td>
<td>Significance</td>
<td></td>
</tr>
<tr>
<td>Constant</td>
<td>0.193762</td>
<td>&lt;0.0001</td>
<td>Significant</td>
<td>97.2%</td>
</tr>
<tr>
<td>Green/Eco-friendly Activities (GA)</td>
<td>0.483998</td>
<td>&lt;0.0001</td>
<td>Significant</td>
<td></td>
</tr>
<tr>
<td>Economic Responsibility (ER)</td>
<td>0.508505</td>
<td>&lt;0.0001</td>
<td>Significant</td>
<td></td>
</tr>
<tr>
<td>Constant</td>
<td>0.163928</td>
<td>&lt;0.0001</td>
<td>Significant</td>
<td>97%</td>
</tr>
<tr>
<td>Green/Eco-friendly Activities (GA)</td>
<td>0.390552</td>
<td>&lt;0.0001</td>
<td>Significant</td>
<td></td>
</tr>
<tr>
<td>Ethical–legal responsibility (ELR)</td>
<td>0.592533</td>
<td>&lt;0.0001</td>
<td>Significant</td>
<td></td>
</tr>
<tr>
<td>Constant</td>
<td>0.0853086</td>
<td>0.0038</td>
<td>Significant</td>
<td>98.04%</td>
</tr>
<tr>
<td>Green/Eco-friendly Activities (GA)</td>
<td>0.0900603</td>
<td>0.0388</td>
<td>Significant</td>
<td></td>
</tr>
<tr>
<td>Environmental responsibility (ENV)</td>
<td>0.908150</td>
<td>&lt;0.0001</td>
<td>Significant</td>
<td></td>
</tr>
<tr>
<td>Constant</td>
<td>0.134183</td>
<td>0.0005</td>
<td>Significant</td>
<td>96.7%</td>
</tr>
<tr>
<td>Green/Eco-friendly Activities (GA)</td>
<td>0.418758</td>
<td>&lt;0.0001</td>
<td>Significant</td>
<td></td>
</tr>
<tr>
<td>Social/Philanthropic responsibility (SOC)</td>
<td>0.569703</td>
<td>&lt;0.0001</td>
<td>Significant</td>
<td></td>
</tr>
</tbody>
</table>

Source: Prepared by the researcher from SPSS output

From Table (10), the results show that constant, green/eco-friendly activities (GA) and the four CSR domains: economic responsibility (ER), ethical–legal responsibility (ELR), environmental responsibility (ENV), and social/philanthropic responsibility (SOC), all have a significant and positive effect on corporate reputation (CR). The p-value of the estimate’s coefficients is less than 0.05, and the overall regression model has a coefficient of multiple determination of 97.2%, 97%, 98.4%, and 96%, respectively. This result shows that the effect of (GA) on (CR) is more significant in the presence of CSR components as mediators. Therefore, the research hypotheses and their sub-hypotheses are accepted based on the analysis results.

5. Discussions and conclusions

This research investigates how green/eco-friendly initiatives affect a company's reputation. Corporate social responsibility will be used as a mediator between hotels' green activities and their reputations. The researcher has chosen the hotels certified as green in the Red Sea region as the research sample. The guests were asked about the hotel's green activities, how they may affect its corporate reputation, and how CSR may be implemented as a marketing tool to improve it. The results showed that customers are more concerned with the environment and prefer to visit hotels that adopt green activities to live in a healthy and safe environment. It shows that it positively affects the hotel's reputation. Implementing CSR initiatives is a good marketing tool to enhance it. Customers consider the environmental dimension most.

The results of the first hypothesis (H1) indicated a significant positive effect of green eco-friendly activities (GA) on corporate reputation (CR). This result agrees with Chen (2008), Ko et al. (2013), Pathak (2016), and Nguyen & Nguyen (2020). The researcher explains this result as a logical conclusion as consumers are getting more concerned about eco-friendly products. Moreover, health is becoming a focal concern, particularly in the last three years with the COVID-19 pandemic. The Egyptian government heavily promoted health promotional campaigns, demonstrating an ongoing awareness of green products. Accordingly, most consumers nowadays demand non-polluting, eco-friendly, safe, and clean products. This compels hotels to incorporate green marketing into their planning activities to lessen their destructive impacts on the environment, differentiate themselves from rivals, and achieve a positive reputation. Customers select a hotel primarily based on its reputation. When a hotel executes a green
marketing plan, it creates a favourable impression in the minds of its customers and gains credibility and a good reputation. This helps customers choose and revisit the hotel.

The results of the second hypothesis (H2) and its sub-hypotheses suggested an indirect positive effect between green eco-friendly activities (GA) on corporate reputation (CR) in the presence of corporate social responsibility (CSR) as a mediating variable. Unlike many studies such as Carroll (1999), Visser (2008), Eshra & Beshir (2017), and Masoud (2017), this research revealed different order of the CSR dimensions. First, environmental responsibilities (ENV) significantly affect corporate reputation (CR). This result is consistent with the study of Fatma et al. (2016). In the second priority comes the economic responsibilities, then the legal-ethical, and finally the philanthropic responsibilities.

This result is due to the nature of the research sample. The demographic analysis shows that most of the respondents are from Gen Z and Gen Y. These younger generations are more concerned with their health and social well-being. They are more active and sports-loving. Moreover, they are the internet and social media generations; therefore, they are more information seekers, which helps them when deciding to visit a hotel. The chosen hotel sample is in the Red Sea region and is characterised as watersports and recreational. Therefore, Gen Z and millennials created the demand for green hotels that consider sustainability. This result is consistent with the Boston Hospitality Review by Singal and Rhou (2017) and Chowdhury and Dasani (2021). Resources are limited, and human desires are boundless. Therefore, it is essential to manage resources effectively. The necessity of environmental conservation is now widely acknowledged, and everyone agrees that a green lifestyle is superior and healthier for both present and future generations.

As most customers' shopping habits indicate a preference for "green" brands, hotels are forced to incorporate green marketing into their planning activities. Green-certified hotels gain a competitive advantage and a good reputation among their rivals. It informs the public that the hotels have included a variety of environmentally friendly practices in their operations. Such certificates granted to hotels may become a tool for attracting customers concerned about the environmental consequences of their purchasing and consumption decisions. Most green hotels in the Red Sea have invested in high technology that leads to the rationalisation of energy and water consumption. In line with what Bashar et al. (2016) said, the results showed that hotels could use green marketing as a good CSR tool to gain a competitive edge. Like the results of Fatma et al. (2015), Chatzoglou et al. (2017), Su et al. (2017), and Bianchi et al. (2019), this research asserts that CSR initiatives may help the hotel in creating a positive corporate reputation.

Economic CSR responsibility is a second priority for hotels. In line with Masoud (2017), this research showed that economic responsibilities still attract the attention of hotel management, customers, and the community. The hotel needs to attain profits to sustain and compete in the market. Profits also help the hotel to respond to society's needs through its business activities. The hotel offers the community job opportunities and tax revenue, while customers expect fair prices for superior quality and services. Therefore, adopting green marketing activities may help hotels achieve outlay savings through implementing environmental practices.

Simultaneously with the economic responsibilities come the ethical-legal ones. This result agrees with Masoud (2017) as it is critical to comply with the legal and ethical responsibilities to cover environmental issues. The results showed previously that economic factors are essential for the hotel and the community. However, government and society must find a way to take corrective actions against hotels that do not adhere to the industry standards and reward those who do, especially in developing and emerging economies like Egypt. In most developing countries, it is found that the legal and ethical environment is inferior. Some hotels only apply green/eco-friendly activities as a marketing tool. They may give way to "greenwashing", claiming to do more for the environment than they offer. Therefore, customers do not trust their promotional campaigns, negatively impacting their corporate reputation. The more the hotel is committed to ethics and regulations, the customers are enhanced to trust the services it offers and this help in improving its corporate reputation.

Philanthropic responsibilities come as the last priority. The private sector in Egypt plays a significant role in improving the well-being of society by adopting philanthropic activities. However, as it is seen as a volunteer activity, Egyptian customers perceive the donations and charities hotels offer only as part of
their promotional campaigns and part of the government’s directions. Meanwhile, hotels may be involved in many philanthropic activities of which customers are unaware. This leads to a negative corporate reputation perceived by customers. Also, philanthropic activities are easily affected by economic fluctuations and any political circumstances. Therefore, hotels contribute to these philanthropic activities according to their willingness and ability. This indicates the importance of CSR as a mediator between green eco-friendly activities and corporate reputation.

Conclusion

Due to the highly competitive environment, the hotel industry in Egypt is increasingly emphasising green practices and eco-friendly operations as part of its overall business plan to achieve a good reputation. However, hotels may gain a more robust corporate reputation by implementing different CSR initiatives. The proper implementation of the green marketing activities and the CSR initiatives deter the hotel from greenwashing activities. Therefore, the environmental CSR dimension got the highest priority when guests choose to visit a hotel, rating their experience and satisfaction. As a result, consumers tend to trust environmentally and socially responsible hotels more. Therefore, this research highlights the importance of CSR activities as a mediator between green/eco-friendly activities and the hotel's corporate reputation. Therefore, marketers should consider the environmental CSR domain the highest priority, leading to a more substantial corporate reputation. The findings of this study also show that green eco-friendly activities and CSR initiatives might positively impact emerging and developing economies.

6. Limitations and direction for future research

Although the current research enriches the existing literature on green marketing, corporate social responsibility, and corporate reputation, it should be noted that this research focused on the hospitality sector in Egypt, specifically in the Red Sea region. Therefore, its results were limited to this sector and the geographical area. Future research may consider other sectors and geographical areas in the Egyptian context. Moreover, this research focused only on green-certified hotels. Future research may examine other hotels that might apply green activities without being officially certified as green. Also, it is possible to emphasise other factors such as green pricing strategy, green collaboration, and staff attitude, all of which can influence the hotel's corporate reputation and the purchasing decisions made by consumers. This research focused only on the consumers, who are essential stakeholders affecting the corporate reputation. Therefore, other research may focus on examining the effect of other stakeholders on corporate reputation, such as the managerial and operational staff, suppliers, and investors and their perception of the adoption of green marketing activities and CSR initiatives.

References


