

CSR activities by theme parks in South Korea: What they do and report?

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Abstract

This study aimed to explore the types of CSR activities implemented by theme parks and the extent to which CSR activities are reported. Through the content analysis, this study found that CSR activities implemented by Korean theme parks mainly focus on supporting children suffered from illness and financial and social constraints. In spite of the various activities, there is limited reporting and communication with stakeholders of their CSR activities, which weakens effectiveness of CSR. The result of this study expands the research area of theme park CSR and the findings can be used by other theme park managers to implement CSR activities.

Keywords: *CSR activities, theme parks, CSR reporting, Sustainability*

1. Introduction

Corporate social responsibility (CSR) has long been a topic of interest among academics and businesses. CSR has been regarded as a key factor in improving a company's reputation and financial performance (Cho et al., 2019). CSR disclosure and its effectiveness are however affected by various factors such as company size. CSR activities and reporting are required for the large corporations which involve various stakeholders and have great impact on communities (Johansson, 2014). While a theme park is organized and

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operated by a large corporation, CSR activities on theme parks have been little explored yet.

Theme park industry is growing with the significant growth in the travel and tourism industry. Around 400 million people visited the top 25 worldwide theme parks as well as the global market size of amusement parks was 73.5 billion U.S. dollars in 2019 (Statista, 2021). Theme parks however bring negative impacts on local communities. For example, theme parks often attract a large number of visitors, which causes traffic congestions, noise, air pollutions, and excessive demand on all public facilities including public transportations. For contributions to local communities and impact on the environment, major theme parks such as The Walt Disney Company have undertaken CSR activities. Despite the intrinsic relationship between community impacts and theme park development, research on theme parks' CSR activities paints a bleak picture. This study therefore aims to explore the effectiveness of CSR activities. The two specific purposes are to identify the types of CSR activities implemented by theme parks and 2) to explore the extent to which CSR activities are being reported.

2. Literature review

2.1 Corporate Social Responsibility (CSR) and theme park

As Corporate Social Responsibility (CSR) has been included in corporate management philosophies and strategies in various industries, theme parks have also fulfilled CSR activities. CSR advocates that a company's values should be shared with stakeholders, which ultimately brings economic and social benefits to the company (Carroll, 1991). In other words, CSR supports not only the economic interests of shareholders, but also the sharing of economic and social benefits with all relevant stakeholders (Maignan & Ferrell, 2004).

A theme park development involves various and diverse stakeholders, thus it is important to implement stakeholder

focused CSR. For example, as theme park is perceived as a remedy for quick tourism development (Millman et al., 2010), local government supports theme park constructions by offering reduced taxes (Kawamura & Hara, 2010). As theme park requires huge investment, thus regional investors including major banks involves in theme park development. Successful CSR requires the enhanced relationship between the organization and its stakeholders (Liu et al., 2014), thus the social relationships between various stakeholders and the organization are essential. In other words, it is important to identify and respond to the social values required by stakeholders (Moufakkir, 2005). This study therefore aims to identify what types of stakeholder supporting CSR programs are implemented by theme parks.

2.2 CSR Reporting

CSR activities should be communicated and reported to maximize its effectiveness (Heemskerk et al., 2002). CSR report can be defined as "the process of communicating the social and environmental effects of organizations' economic actions to particular interest groups within society and to society at large." (Gray, 1996, p.3). CSR reporting is often viewed as a way of communication to stakeholders and a way to legitimize their actions (Hooghiemstra, 2000). According to Holcomb et al., (2010), a corporation which has limited CSR reporting, no verifiable content and no divisional reporting, can be considered lagging.

The size of organization impacts on reporting, and large organizations are required to report CSR activities as it involves a wide range of stakeholders (Riantani & Nurzamzam 2015). Theme park, organized by a large scale of corporations, is suggested to report CSR which enhances public image (Jenkins, 2004) and attracts individual investors to the corporation (Hamilton et al., 1993). This study thus aims to explore the extent to which theme parks report their CSR activities

2.3 Korean theme parks

The two major theme parks in Korea are the Everland and the Lotte world, which both rank in the worldwide 25 theme parks in 2020 (Theme park insider, 2021). The Everland is the biggest theme park in Korea, opened in 1976. It is located in Yoning, a city, in Gyeonggi-do, South Korea. Around 6.6 million visitors visit annually (Statista, 2021), and was ranked 16th in the world amusement park attendance in 2019. The Everland is operated by Samsung C&T Corporation, which is a subsidiary of the Samsung Group. The Everland operates a water park as well, named 'Caribbean bay'.

The Lotte world is a major recreation complex in Seoul, South Korea, opened in 1989. It consists of the worlds' largest indoor theme park and outdoor amusement park. Around 7.3 million visitors visit the Lotte World each year (Statista, 2021), and was ranked 17th in the world amusement park attendance in 2019 (Theme park insider, 2021).

3. Methods

This study conducted content analysis. While content analysis is descriptive in nature, it is useful in extracting the emerging theme and trends (Stemler, 2015). To identify the types of CSR activities implemented by theme parks and to explore the extent to which theme parks implement CSR activities and reporting CSR, two major theme parks in Korea were selected as representative cases.

All the CSR online information both theme parks provided were collected for the data analysis. The website and electronic media reports are the major data. In the process of extracting the relevant information, as the web sites provide limited CSR information, the parent groups (i.e., Samsung group for Everland and Lotte group for Lotte world) sustainability report in 2013-2020 were also used for the data analysis. For the Everland CSR activities, the sustainability report provided by Samsung C&T was collected and the relevant information of

Everland CSR activities was extracted to be analyzed. For the Lotte World, the parent group, Lotte E&C corporations sustainability report was collected and reviewed, however, no specific information of Lotte world activities found.

4. Results

The major theme parks in Korea, Everland and Lotte world, have actively implemented broad ranges of CSR activities, including community, stakeholder and environment supportive activities, as summarized in Table 1 and 2. Lotte world includes social contribution on their mission and strategies. While both have implemented community supportive CSR activities, Everland CSR includes environmental aspects activities and employment health and safety issues.

Both theme parks mainly focus on children supportive CSR activities, such as free invitation of children who have limited access to Lotte World due to financial and social constraints, free invitation of children who are suffered from chronic illness by Everland, and provide job experience opportunities provided by both theme parks. According to Kim et al. (2011), CSR activities can be meaningful and effective marketing strategies when a corporation and CSR activities fit together. Theme park offers rides, activities and programs which are particularly appealing to younger kids. The diverse CSR activities supporting children thus can be effective on corporate value such as corporate image and purchases intention (Kim et al., 2011).

Everland	
Mission/ Core value/ Strategies	Inspiring, Refined Nature, Interactive Experience, Creative Professionals.
Community focused CSR activities (Mainly for the future generation)	<ul style="list-style-type: none"> - Free invitation of children battling with chronic illnesses and their family members (As of 2020, 13,119 children and their family have participated) - Providing job experience program called 'Dream Specialist Outreach,' for students in rural areas marginalized from mainstream education, - Providing customized experiential learning program of Everland's know-how to teenagers who are interested in hospitality industry - Providing a educational program 6,000 people of early/mid-twenties to play a leading role as future service professionals of information provider, service expert, and sales person - A program learning safety rules under the simulations of real-world emergency situations
Stakeholder (Mainly for the employees)	<ul style="list-style-type: none"> - Providing systematic support for enhancing the safety and health management capabilities of partner companies working at Everland and Caribbean Bay - Acquiring the ISO 45001 (health and safety) certification, Everland became the first theme park to obtain three international certifications, the two others being the ISO14001 (environment) and ISO 50001 (energy).
Environmental aspects	<ul style="list-style-type: none"> - Regular inspection and audit on environment impacts, energy effectiveness - Following ISO standards in energy usage and improving efficiency. <ul style="list-style-type: none"> - Apply renewable energy to reduce gas emissions at Everland and Caribbean bay - Planting 7,500 trees in the Shinwonri Forest near Everland - Supporting to protect endangered animals in link with the Everland Zoo - Exerting GHG mitigation efforts which include an excess heat supply agreement with the Yongin City concluded in 2013 and converting and using output energy from business sites as renewable energy

Table 1. Summary of CSR activities implemented by Everland

Mission/Core value/ Strategies	Lotte World
Community focused CSR activities (Mainly for the future generation)	<p>A world where all children's and youth's dreams come true</p> <p>Strategies: Social contribution with Lotte World's identity</p> <p>Social contribution based on employees participation</p>
Stakeholder – (Mainly for the employees)	<ul style="list-style-type: none"> - Raising awareness of childhood cancer - Free invitation of children, adolescents, and families who have limited financial and social access to Lotte World. Around 20,000 people visit adventure, aquarium, Water park. - Visiting children who are battling illness at the hospital to perform visiting performances, present gifts, and take photos. - Job experience program for junior high school 1st graders (7th grade)
Environmental aspects	<ul style="list-style-type: none"> - Employees' volunteer activities visiting welfare centre and supporting disabled people/ making New Year's Food for Multicultural Families - Rescuing and treat marine animals organisms, and return them to the sea in good health

Table 2. Summary of CSR activities implementd by Lotte World

Despite that both theme parks have implemented CSR activities, there is limited reporting and communication with publics. Everland has very limited CSR information on web page, while can access more specific information on the parent groups' sustainability report. The parent groups' sustainability report provides specific information of CSR activities of Everland, there is very limited CSR information on web page. For example, there is only three environmental related CSR program was reported on the web page. Lotte world uploads specific CSR activities and programs on web sites, however

there is limited explanation and descriptions on each activities., both theme parks are required to report their CSR activities to facilitate communication with stakeholders and maximize the effectiveness of CSR.

5. Conclusion

This study identified the types of CSR activities implemented by theme parks and explored the extent to which CSR activities are being reported. Korean theme park CSR activities mainly include children supportive programs. The limited reporting of CSR activities with stakeholders can lessen its effectiveness, which is required to have active communication. While CSR is a critical marketing strategy for a large corporation, little research explored theme parks' CSR activities. This study explored the types and reporting level of theme parks which expands the emerging area of tourism.

From the practical perspective, the marketers in theme parks need to actively communicate with stakeholders. The rising awareness of CSR activities will be supportive to building reputation and public images. Moreover, this study found the various types of CSR activities implemented by theme parks and the results can be used by other theme parks at the early stages of CSR activities.

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