EXPLORING MEDIATING ROLES BETWEEN CSR AND CUSTOMER SATISFACTION IN HOTELS

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Abstract. This study investigates the complex relationship between multidimensional corporate social responsibility (CSR) initiatives and customer satisfaction within Malaysia's dynamic hospitality industry. Anchored in stakeholder theory, the research specifically examines the mediating roles of brand image and corporate reputation in influencing how customers perceive and respond to CSR initiatives implemented by hotel operators. Using empirical data collected from 438 hotel guests in Kuala Lumpur and applying Partial Least Squares Structural Equation Modeling (PLS-SEM), the study analyzes the distinct effects of economic, legal, ethical, and philanthropic CSR dimensions on customer satisfaction. The results reveal that ethical and philanthropic CSR practices significantly enhance brand image, while economic and philanthropic dimensions positively impact corporate reputation. Moreover, legal and ethical CSR initiatives are also found to play a crucial role in strengthening corporate reputation, reflecting the growing importance of socially responsible operations in shaping public perception. Importantly, the findings confirm that both brand image and corporate reputation serve as vital mediators between CSR initiatives and customer satisfaction, highlighting their essential role in building consumer trust, loyalty, and favorable brand evaluations. These insights carry meaningful managerial implications for hotel managers, suggesting that the strategic integration of comprehensive CSR practices, along with active efforts to enhance corporate image and reputation, can substantially boost customer satisfaction, loyalty, and long-term business success in the highly competitive hospitality sector.
Keywords: *brand image, corporate reputation, corporate social responsibility, customer satisfaction, Malaysia hotels*

Introduction

In the context of post-pandemic recovery, the hotel sector's growth trajectory underscores the critical need for service innovation. One of the primary reasons for this emphasis is the undeniable link between hotel services and customer satisfaction. As competition intensifies, hotels are increasingly adopting corporate social responsibility (CSR) initiatives to differentiate themselves and enhance their brand value (Peña-Miranda et al., 2022). CSR encompasses a range of actions that align with stakeholder expectations, including ethical business practices, environmental sustainability, legal compliance, and community engagement. Consumer perceptions of corporate social responsibility have a notable impact on their purchasing choices, with many consumers preferring socially responsible brands when evaluating similar products (Akbari et al., 2021). Consequently, CSR plays a critical role in shaping consumer behavior, particularly customer satisfaction. Beyond influencing customer preferences, CSR directly affects corporate reputation and brand image, which are key determinants of long-term business success. Companies that strategically position their brands around CSR initiatives can strengthen their brand equity and foster consumer trust (Tingchi Liu et al., 2014). In the hotel industry, where product differentiation is

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often challenging, a strong corporate reputation offers a sustainable competitive advantage. Additionally, customer perceptions and attitudes significantly shape a hotel's reputation, further linking CSR to overall satisfaction levels (Farmaki, 2019). CSR practices also help hotels mitigate the negative impacts of external factors, fostering resilience in an ever-evolving market.

Despite these benefits, whether CSR alone fully explains customer satisfaction in the hotel industry remains uncertain. While studies in industries such as telecommunications and banking have demonstrated CSR's positive impact on customer satisfaction, research in the tourism and hospitality sectors remains limited (Gezahegn et al., 2025). Moreover, empirical findings regarding the relationship between CSR and customer satisfaction remain inconsistent, necessitating further exploration. To address these gaps, this study aims to examine the impact of CSR dimensions (economic, ethical, legal, and philanthropic) on brand image and corporate reputation and their subsequent influence on customer satisfaction in Malaysia's hotel industry. The research adopted a quantitative methodology, surveying guests at 15 premium hotels in Kuala Lumpur and applying structural equation modelling techniques. The outcomes yield significant theoretical implications and managerial insights for enhancing customer satisfaction through effective CSR strategies.

Literature review and hypotheses

Stakeholder theory

Freeman, the father of stakeholder theory, defines stakeholders as "any group or individual that can influence the achievement of organizational goals or is affected by the achievement of organizational goals." Stakeholder theory emphasizes that companies not only need to create value for shareholders, but also need to meet the expectations of all stakeholders (Jensen, 2010). The stakeholder group that this study focuses on is customers. Consequently, this research applies stakeholder theory to examine CSR's effects on brand perception, organizational reputation, and consumer satisfaction.

Corporate social responsibility (CSR)

Seminal framework categorizes CSR into four pillars: profit-driven (economic), principle-based (ethical), community-oriented (philanthropic), and compliance-focused (legal). In terms of the impact of CSR, it can promote customer loyalty and corporate reputation (Chung et al., 2015). In fact, engaging in CSR initiatives allows companies to improve their public reputation and strengthen their corporate image. From a corporate communication perspective, stakeholder theory emphasizes the need for transparent and targeted communication. Therefore, this study incorporates the four dimensions of corporate social responsibility from the perspective of stakeholders into corporate responsibility to customers. In the Malaysian hotel industry, brand image not only reflects the quality of accommodation or service, but also reflects the hotel's commitment to corporate social responsibility initiatives. Corporate social responsibility helps shape brand image not just among customers but also across a broader range of stakeholders (Srivastava, 2024). To strengthen this impact, organizations are encouraged to implement communication strategies that effectively highlight their CSR initiatives. Therefore, customer perceptions of corporate social responsibility may further enhance positive brand image. In addition, different aspects of corporate social responsibility (legal, ethical, philanthropic, economic) affect customer evaluations. Based on this overview, this study hypothesizes that: (H1a): Economic CSR positively influences brand image in Malaysia’s hotel industry; (H1b): Legal CSR positively influences brand image in Malaysia’s hotel industry; (H1c): Ethical CSR positively influences brand image in Malaysia’s hotel industry; (H1d): Philanthropic CSR positively influences brand image in Malaysia’s hotel industry.

Corporate reputation

According to stakeholder theory, CSR contributes substantially to reputation management via stakeholder expectation alignment (Adewole, 2024). Corporate reputation is influenced CSR, with each contributing in its own way. Economic CSR initiatives, such as fair pricing, high-quality services, and responsible financial management, reinforce a company's reliability and stability, which in turn improves its reputation among consumers and business partners. Legal CSR ensures that companies adhere to regulations and industry standards, reducing risks associated with non-compliance and legal disputes. Ethical CSR practices, such as transparent business operations and fair labor policies, demonstrate integrity and commitment to moral business conduct. Finally, philanthropic CSR, which includes charitable donations, community engagement, and environmental sustainability efforts, portrays a company as socially conscious and community-oriented, enhancing its overall image. Despite the widely acknowledged link between CSR and corporate reputation, few studies have specifically examined how hotel brand image and reputation influence customer satisfaction. Given the competitive nature of the hospitality industry, corporate reputation is a critical determinant of long-term success, influencing customer perceptions, trust, and willingness to engage with a brand.Customers are more likely to choose hotels that have a strong reputation for responsible business practices, as they associate such establishments with superior service quality, ethical treatment of employees, and commitment to sustainability (Khalil et al., 2024). This study seeks to address this research gap by examining the impact of different CSR dimensions on corporate reputation within the hotel industry. Specifically, it hypothesizes that: (H2a): Economic CSR positively influences corporate reputation in Malaysia’s hotel industry; (H2b): Legal CSR positively influences corporate reputation in Malaysia’s hotel industry; (H2c): Ethical CSR positively influences corporate reputation in Malaysia’s hotel industry; (H2d): Philanthropic CSR positively influences corporate reputation in Malaysia’s hotel industry.

Customer satisfaction

According to Mamakou et al. (2024), customer satisfaction is a perceptual experience evaluation based on the comparison between what is and what is not. At the same time, customer satisfaction may also come from corporate social responsibility activities, so when corporate social responsibility activities are successfully implemented, it will have a positive impact on customer satisfaction, and when customers begin to feel more satisfied with responsible companies. Nonetheless, there remains a lack of in-depth investigation into how each CSR dimension individually affects customer satisfaction. In summary, this study assumes that the various dimensions of corporate social responsibility are as follows: (H3a): Economic CSR positively influences customer satisfaction in Malaysia’s hotel industry; (H3b): Legal CSR positively influences

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customer satisfaction in Malaysia's hotel industry; (H3c): Ethical CSR positively influences customer satisfaction in Malaysia's hotel industry; (H3d): Philanthropic CSR positively influences customer satisfaction in Malaysia's hotel industry.

Brand image

Brands exert significant influence on customer satisfaction through their implementation of corporate social responsibility initiatives. Brand image, characterized by customer perception and brand associations, plays a key role in the tourism industry. It is a decisive factor in hotel guests' decision to recommend or purchase. Consumers develop an emotional connection with brands, which is based on the corporate social responsibility and promotes positive feedback about the brand and its image in society. Agyei & Shaorong Sun（2021) Based on this comprehensive study, the research hypotheses are: (H4): Brand image positively influences customer satisfaction in Malaysia's hotel industry.

The relationship between corporate reputation and customer satisfaction

Companies with a good reputation can convey to the public that they prioritize not only their own business interests but also the well-being of their stakeholders, which plays a crucial role in gaining consumer trust (Khan, 2024). A strong corporate reputation signals reliability, quality, and ethical business practices, all of which contribute to building long-term customer relationships. Customers are more likely to support businesses that have a history of integrity, transparency, and positive engagement with society. Corporate reputation is developed over time and is shaped by consistent actions, stakeholder perceptions, and overall brand positioning. According to companies with a strong reputation gain a competitive advantage, which positively affects customer satisfaction. When customers perceive a company as reputable, they tend to associate it with superior service quality, fair treatment of employees, and ethical business conduct. These perceptions, in turn, enhance customer satisfaction and increase the likelihood of repeat patronage and brand advocacy. In the hotel industry, corporate reputation is particularly important as customers evaluate brands based on trust, service excellence, and ethical standards. Hotels with a positive reputation attract more guests, command higher pricing power, and foster greater customer loyalty. Additionally, in an era where online reviews and word-of-mouth significantly influence consumer decisions, a strong corporate reputation helps mitigate the risks associated with negative publicity. Therefore, this study proposes the following hypothesis: (H5): Corporate reputation positively influences customer satisfaction in Malaysia's hotel industry.

Corporate reputation and brand image as mediators in the CSR-customer satisfaction relationship

In recent years, corporate social responsibility has become a competitive strategy for companies to increase profits, customer satisfaction, corporate reputation, and positive attitudes toward corporate brands. In addition, brand image is considered a key variable that affects marketing activities because it can affect customers' perception of the products/services provided. Karim and Rabiul (2024) established a model to study the relationship between corporate reputation, customer satisfaction, customer loyalty, and service recommendations, and concluded that corporate reputation is positively

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correlated with customer satisfaction. At the same time, based on the hotel industry literature, some studies have shown that corporate image significantly affects perceived value and satisfaction as well as loyalty. Similarly, corporate image can moderate the relationship between corporate social responsibility (CSR) and customer satisfaction. Further demonstrated through their analysis of corporate image, perceived value, satisfaction, and behavioral intentions that brand perception can substantially impede the realization of customer value and satisfaction. Notably, when customers hold a favorable view of a hotel, they are more inclined to perceive its service as highly satisfactory. Therefore, this research aims to bridge the current knowledge gap by investigating the mediating effects of corporate reputation and brand perception in the CSR-customer satisfaction nexus. (H6a): Brand image serves as a mediator between economic CSR activities and customer satisfaction within Malaysia's hotel sector; (H6b): Brand image mediates the link between legal CSR efforts and customer satisfaction in the Malaysian hotel industry; (H6c): Brand image functions as a mediating factor in the relationship between ethical CSR practices and customer satisfaction in Malaysia's hotel context. (H6d): Brand image plays a mediating role between philanthropic CSR actions and customer satisfaction in Malaysia's hospitality industry; (H7a): Corporate reputation mediates the relationship between economic CSR initiatives and customer satisfaction in Malaysia's hotel industry; (H7b): Corporate reputation mediates the relationship between legal CSR initiatives and customer satisfaction in Malaysia's hotel industry; (H7c): Corporate reputation mediates the relationship between ethical CSR initiatives and customer satisfaction in Malaysia's hotel industry; (H7d): Corporate reputation mediates the relationship between philanthropic CSR initiatives and customer satisfaction in Malaysia's hotel industry. To summarize, the study's conceptual framework is illustrated in *Figure 1*.

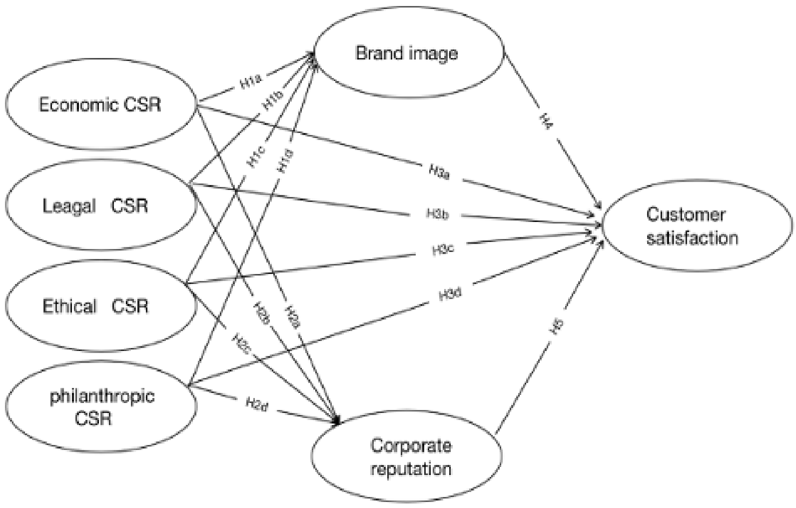

Figure 1. *Research Model.*

Materials and Methods

Measurements and questionnaire development

To test the research hypothesis of this study, based on the list of 5-star hotels, we selected 15 best 5-star hotels in Kuala Lumpur to conduct a questionnaire survey with

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data collected from tourists staying at 5-star hotels. This study included 4 independent variables, 1 dependent variable and 2 mediating variables. Entries for each variable are taken from previous research. This study used seven items to measure the relationship between these seven variables. We used 12 projects measured corporate social responsibility, mainly based on carrolI's stakeholder theory, and designed a questionnaire survey from four perspectives: economy, morality, law and charity. We used seven items to measure brand image. This study uses four projects of measure corporate reputation and use six-item scale was used to measure customer satisfaction. The five-point Likert order scale was used to measure the scale, ranging from 1 "strongly disagree"; 2 "Disagree"; 3 "neutral"; 4 "Disagree"; 5 "strongly agree" Prior to conducting the main study, this study pre-tested customer questionnaires from five-star hotels in Kuala Lumpur, Malaysia, which will be piloted according to the sample size practice recommended by the pilot study. Thirty eligible subjects were selected to fill in the questionnaire, and the reliability and validity of the data were tested. This minimizes social expectation bias. What motivates respondents are the considerations, it gives researchers the option to eliminate potentially erroneous data.

Sample and data collection

Adopting sampling methodology, 450 survey questionnaires were administered to five-star hotel guests, achieving a 97.3% response rate (438 valid responses). In the first part of the evaluation survey, we asked hotel customers about their age, gender and education level. The researchers gave the participants questionnaires and obtained the contents of the questionnaires, and the participants then responded. The demographic characteristics of the respondents are shown in *Table 1*. 54.11% of the respondents were male, 45.662 % were female, and 0.228% did not specify their gender. As for age, most are between 45 and 54 years old. The majority of respondents were university educated (52.055%).

***Table 1**. Demographic profile.*

Demographic Variables	Frequency (N)	Percent (%)
Sex		
Male	237	54.1
Female	201	45.9
Age		
18-34 years old	107	24.4
35-44 years old	105	24.0
45-54 years old	156	35.6
55 years old and above	70	16.0
Educational		
Under-high school	80	18.3
High school	105	24.0
University	228	52.1
Post-graduate	25	5.7

Results and Discussion

Measurement model evaluation

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The measurement model demonstrated satisfactory psychometric properties, as evidenced by composite reliability (CR) and Cronbach's α values surpassing the 0.70 benchmark, indicating strong internal consistency. As shown in *Table 2*, all constructs: economic, legal, ethical, and philanthropic CSR, brand image, corporate reputation, and customer satisfaction, meet this criterion. In addition, convergence validity was assessed by indicator load and mean variance extraction (AVE). The results show that all indicators have a higher load (i.e., greater than 0.723) in their respective constructs. When the AVE score of the construct exceeds 0.50, this indicator is retained. Analysis revealed all constructs achieved AVE values above 0.50, signifying that the measurement items accounted for over 50% of variance in their respective constructs. This provides empirical support for the measures' convergent validity and reliability.

***Table 2**. Measurement items.*

Construct/item	Indicator loading	AVE	CR	CA
Corporate Social Responsibility		0.663	0.957	0.952
ECSR1	0.887			
ECSR2	0.914			
ECSR3	0.768			
LCSR4	0.816			
LCSR5	0.932			
LCSR6	0.914			
ETCSR7	0.924			
ETCSR8	0.723			
ETCSR9	0.925			
PCSR10	0.904			
PCSR11	0.917			
PCSR12	0.940			
Brand Image		0.732	0.946	0.921
BI1	0.896			
BI2	0.910			
BI3	0.896			
BI4	0.909			
BI5	0.930			
BI6	0.516			
Corporate reputation		0.744	0.937	0.876
CR1	0.568			
CR2	0.952			
CR3	0.934			
CR4	0.935			
Consumer Satisfaction		0.865	0.969	0.969
CS1				
CS2				
CS3				
CS4				
CS5				
CS6				

Note: AVE=Average Variance Extracted; CR=Composite Reliability; CA=Cronbach Alpha.

As shown in *Table 3*, all constructs met the criterion, with square roots of AVE (diagonal) exceeding inter-construct correlations (off-diagonal), confirming discriminant validity. Indicating that there is discriminative validity between constructs. Discriminant validity was further assessed using the HTMT criterion, with all ratios below the 0.90 threshold. In addition, HTMT inference using a 90% confidence interval showed that no confidence interval of any construct crossed 1, indicating good discriminative validity (*Table 4*).

***Table 3**. Discriminant validity assessment.*

Category	BI	CR	CS	ECSR	ETCSR	LCSR	PCSR
BI	0.856						
CR	0.854	0.862					

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CS	0.847	0.859	0.930				
ECSR	0.834	0.774	0.817	0.862			
ETCSR	0.768	0.775	0.748	0.764	0.859		
LCSR	0.815	0.768	0.823	0.852	0.803	0.889	
PCSR	0.852	0.778	0.791	0.853	0.724	0.806	0.920

***Table 4**. HTMT ratio of correlations for discriminant validity testing.*

Category	BI	CR	CS	ECSR	ETCSR	LCSR	PCSR
BI							
CR	0.837						
CS	0.850	0.860					
ECSR	0.847	0.897	0.894				
ETCSR	0.876	0.896	0.838	0.824			
LCSR	0.896	0.855	0.896	0.890	0.856		
PCSR	0.824	0.859	0.842	0.772	0.836	0.895	

Structural model analysis

The structural model assessment comprised: (1) collinearity evaluation using VIF (acceptable if <5); (2) examination of standardized path coefficients; (3) analysis of R^2 for endogenous constructs; (4) computation of f^2 effect sizes; and (5) blindfolding procedure to obtain Q^2 predictive relevance measures. Secondly, Brand image exerts statistically significant positive effects on all three CSR dimensions: economic CSR (β=0.184, $p<0.001$), ethical CSR (β=0.204, $p<0.001$), and philanthropic CSR (β=0.419, $p<0.001$). Similarly, corporate reputation shows substantial positive influences on both economic CSR (β=0.347, $p<0.001$) and philanthropic CSR (β=0.308, $p<0.001$). Furthermore, customer satisfaction emerges as a significant predictor, positively affecting ethical CSR (β=0.226, $p<0.001$), philanthropic CSR (β=0.119, $p<0.001$), brand image (β=0.283, $p<0.001$), and corporate reputation (β=0.454, $p<0.001$). These findings collectively provide robust empirical support for the hypothesized relationships (H1a, H1c, H1d, H2a, H2d, H3b, H3c, H4, and H5), as illustrated in the proposed conceptual model (*Figure 2*). Third, R^2 analysis revealed substantial explanatory power: CSR predicted 78% of brand image variance and 70% of corporate reputation variance, while the full model explained 86% of customer satisfaction variance. Finally, the prediction correlations were evaluated using Stone-Geisser's Q^2 program. As summarized in *Table 6*, the Q^2 values of brand image (Q^2=0.572), corporate reputation (Q^2=0.515) and customer satisfaction (Q^2=0.743) are all greater than zero, the findings establish strong predictive validity, with all endogenous constructs (brand image, corporate reputation, and customer satisfaction) showing substantial explained variance (R^2>0.70), exceeding recommended thresholds for social science research.

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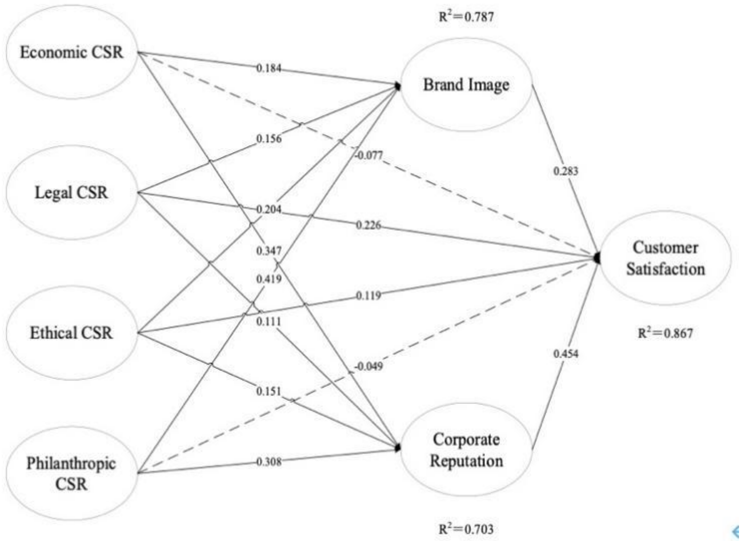

Figure 2. *Structural equation model with standardized path coefficients (β).*

The study identified dual mediation mechanisms: (1) brand image transmitted the effects of economic and philanthropic CSR on satisfaction (H6a/H6d supported), and (2) corporate reputation likewise mediated these relationships (H7a/H7d supported), with all path coefficients significant at $p<0.001$ (*Table 5*).

Table 5*. PLS path model effect decomposition.*

Hypothesis	β	SE	p-value
Direct effects			
H1a. ECSR→BI	0.184	0.064	< 0.001
H1b. LCSR→BI	0.156	0.096	＞0.001
H1c. ETCSR→BI	0.204	0.081	< 0.001
H1d. PCSR→BI	0.419	0.108	< 0.001
H2a. ECSR→CR	0.347	0.086	< 0.001
H2b. LCSR→CR	0.111	0.098	＞0.001
H2c. ETCSR→CR	0.151	0.082	＞0.001
H2d. PCSR→CR	0.308	0.109	< 0.001
H3a. ECSR→CS	-0.077	0.060	＞0.001
H3b. LCSR→CS	0.226	0.079	< 0.001
H3c. ETCSR→CS	0.119	0.060	< 0.001
H3d. PCSR→CS	-0.049	0.080	＞0.001
H4. BI→CS	0.283	0.101	< 0.001
H5. CR→CS	0.454	0.106	< 0.001
Indirect effects			
H6a. ECSR→BI→CS	0.050	0.028	< 0.001
H6b. LCSR→BI→CS	0.043	0.030	＞0.001
H6c. ETCSR→BI→CS	0.056	0.034	＞0.001
H6d. PCSR→BI→CS	0.115	0.054	< 0.001
H7a. ECSR→CR→CS	0.381	0.092	< 0.001
H7b. LCSR→CR→CS	0.054	0.052	＞0.001
H7c. ETCSR→CR→CS	0.074	0.040	＞0.001
H7d. PCSR→CR→CS	0.151	0.066	< 0.001

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The research reveals CSR's multidimensional impacts on brand equity, reputation, and customer satisfaction within Malaysia's hospitality sector, including economic, ethical, philanthropic, and legal aspects. The findings demonstrate how CSR initiatives influence consumer perceptions, providing valuable insights for hotel management. Firstly, this study confirms that CSR practices in economic, ethical, and philanthropic dimensions significantly enhance brand image. This aligns with previous research that has established a strong connection between socially responsible practices and improved brand perception. Consumers increasingly prefer businesses that adhere to ethical standards, demonstrating fairness in labor practices, environmental responsibility, and community engagement. For example, hotels that support local economies by sourcing goods and services from local suppliers can strengthen their brand image by positioning themselves as contributors to community well-being. Similarly, philanthropic activities, such as supporting charities, funding education initiatives, and participating in environmental sustainability programs, can elevate consumer trust and reinforce positive brand associations. Additionally, ethical CSR practices, such as promoting diversity and inclusion, ensuring fair wages, and adopting sustainable business operations, help shape a positive corporate identity. When hotels prioritize ethical considerations in their business strategies, they enhance their reputation as responsible entities that care for their stakeholders. This, in turn, leads to greater customer engagement, loyalty, and advocacy. The findings of this study suggest that the Malaysian hotel industry should actively integrate ethical and philanthropic CSR initiatives into their marketing and branding strategies to cultivate a strong, positive brand image. Furthermore, hotels should clearly communicate their CSR efforts through multiple channels, including social media, official websites, and promotional campaigns, to ensure that customers recognize and appreciate their contributions to society.

Secondly, this study finds that economic and philanthropic CSR dimensions positively influence corporate reputation. As suggest, CSR-driven economic performance enhances a company's standing in society, leading to stronger customer trust and higher brand equity. Companies that fulfill their economic responsibilities, such as maintaining fair pricing and offering high-quality services, earn consumer respect and loyalty. Philanthropic contributions, including charitable donations and social development programs, further improve a company’s standing. Consumers tend to support businesses that demonstrate a genuine commitment to social causes, such as environmental sustainability, poverty alleviation, or educational initiatives. When hotels actively engage in corporate philanthropy, they not only foster goodwill among their customers but also enhance their reputation within the broader community. Moreover, corporate reputation is shaped by long-term consistency in CSR commitments. Companies that frequently engage in social responsibility efforts build a strong reputation over time, which contributes to customer trust and business sustainability. In contrast, businesses that engage in sporadic or insincere CSR initiatives may fail to establish a credible reputation. Therefore, Malaysian hotels should ensure that their CSR programs are well-structured, ongoing, and transparent, rather than one-time marketing strategies aimed at short-term gains. Thirdly, this study finds that legal and ethical dimensions of CSR have a significant and positive impact on customer satisfaction. Contemporary consumers prioritize regulatory adherence, operational transparency, and ethical governance in their hotel selection criteria. When hotels operate with integrity and demonstrate social responsibility, they create a sense of trust

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and reliability among consumers, leading to higher satisfaction levels. Legal compliance, such as adhering to labor laws, health and safety regulations, and environmental protection policies, reassures customers that the company prioritizes ethical business conduct. Ethical responsibility, including fair treatment of employees and responsible sourcing of materials, further strengthens this perception. Customer satisfaction is not only influenced by service quality but also by the perceived values and principles of a company. Modern consumers, particularly younger generations, increasingly consider CSR practices when making purchasing decisions. As a result, hotels that actively engage in ethical and socially responsible practices may experience greater customer satisfaction, as consumers align their personal values with those of the company. Furthermore, satisfied customers are more likely to develop long-term relationships with a hotel, leading to repeat business and positive word-of-mouth referrals.

This study also demonstrates that CSR's influence on customer satisfaction is further strengthened by the mediating effects of brand image and corporate reputation. A strong brand image enhances customer perception of CSR activities, making them more effective in influencing satisfaction levels. Similarly, a well-established corporate reputation reassures customers about the integrity and reliability of a hotel's services. These findings indicate that CSR alone may not be sufficient to maximize customer satisfaction; rather, hotels must also cultivate a strong brand image and corporate reputation to fully leverage the benefits of their CSR initiatives. Given these findings, hotel managers should recognize the strategic importance of CSR in shaping consumer perceptions and business success. Implementing CSR initiatives in a well-integrated and transparent manner can provide hotels with a competitive advantage in a highly saturated market. Hotel operators should ensure that their CSR strategies are not just reactive responses to societal expectations but are deeply embedded within their corporate culture and long-term vision. Additionally, hotels should invest in communicating their CSR efforts effectively to the public. Many businesses engage in meaningful CSR activities but fail to highlight their contributions due to insufficient marketing and communication. Leveraging digital platforms, such as social media and corporate websites, can help hotels showcase their CSR initiatives and connect with socially conscious consumers. Transparency in CSR reporting, such as publishing sustainability reports and impact assessments, can further enhance credibility and trust.

This study contributes to the growing body of literature on CSR in the hospitality sector by providing empirical evidence of its impact on brand image, corporate reputation, and customer satisfaction. While previous research has examined the effects of CSR in other industries, studies focusing on the hotel industry, particularly in Malaysia, remain limited. By addressing this gap, this study offers practical recommendations for industry stakeholders, policymakers, and future researchers. Future research should explore additional factors that may influence the effectiveness of CSR initiatives in the hotel industry. For instance, customer demographics, cultural differences, and personal values may moderate the relationship between CSR and customer satisfaction. Examining these variables can provide deeper insights into how different consumer segments perceive CSR efforts and respond to them. Furthermore, longitudinal studies tracking the long-term impact of CSR on customer loyalty and business performance could offer a more comprehensive understanding of CSR's role in shaping sustainable hotel operations.

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Conclusion

In conclusion, this study provides compelling empirical evidence that corporate social responsibility (CSR) serves as a critical determinant of business success in Malaysia's hospitality sector, significantly influencing brand perception, organizational reputation, and ultimately customer satisfaction. The findings reinforce the growing recognition that CSR has evolved from a peripheral philanthropic activity to a core strategic imperative in contemporary business practice. Through systematic examination of the mediating mechanisms, this research demonstrates that CSR initiatives create value not through direct effects alone, but through their capacity to shape consumer perceptions of brand identity and corporate standing. The study particularly highlights the importance of adopting a comprehensive approach to CSR implementation that addresses all four dimensions of the quadruple bottom line: economic viability, ethical governance, regulatory compliance, and social philanthropy. This multidimensional framework enables hotel operators to develop more robust and sustainable CSR strategies that resonate with diverse stakeholder groups. Economic responsibility ensures financial sustainability while creating shared value; ethical governance builds trust through transparent operations; regulatory compliance establishes operational legitimacy; and social philanthropy fosters meaningful community connections.

In the context of Malaysia's rapidly evolving hospitality landscape, where competition intensifies amidst shifting consumer expectations, the research underscores how socially responsible practices have transitioned from being merely morally commendable to becoming commercially essential. The demonstrated linkages between CSR implementation and key performance indicators suggest that responsible business conduct now represents a critical differentiator in market positioning and customer acquisition strategies. Moreover, the study's findings carry important implications for strategic management in the hospitality sector. They suggest that CSR should be conceptualized not as a discretionary add-on or public relations exercise, but as an integral component of organizational DNA that informs decision-making at all levels. This requires moving beyond superficial CSR gestures to develop authentic, measurable, and strategically aligned programs that create tangible value for both businesses and their stakeholders. As the hospitality industry continues to navigate post-pandemic recovery and evolving sustainability expectations, the research provides empirical support for viewing CSR as a driver of resilience and competitive advantage rather than merely a cost center. The demonstrated positive relationships between CSR implementation and key business outcomes suggest that Malaysian hotel operators would benefit from making CSR considerations central to their strategic planning, operational processes, and performance evaluation systems.

Looking forward, the study's findings point to several important areas for managerial attention: the need for more sophisticated CSR measurement and reporting frameworks, the importance of aligning CSR initiatives with core business competencies, and the value of developing CSR communication strategies that effectively convey authentic commitments to various stakeholder groups. By addressing these areas while maintaining focus on the quadruple bottom line, Malaysian hotels can position themselves for sustainable success in an increasingly values-driven marketplace.

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Conflict of interest

The authors confirm that there is no conflict of interest involved with any parties in this research study.

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