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Sustainable Development Goals in the Hospitality Industry: A Dream or a Reality?¹

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ABSTRACT

Purpose. This article explores how effectively leading sustainable hotels have integrated Sustainable Development Goals (SDGs) into their reporting. The main aim is to pinpoint areas for improvement concerning SDG reporting which can help the hospitality industry to achieve a transformation in a more SDG-aligned global tourism system.

Design/methodology/approach. For this study, a content analysis technique was used to extract the information regarding strategic consistency of SDG reporting. Both qualitative and quantitative approaches were applied to the analysis of this information. This paper seeks to assess the extent to which the materiality analysis, corporate targets and performance indicators defined by the world's top sustainable hotels in their sustainability reports are consistent with those SDGs linked to the business. To that end, we have selected the most sustainable hotels according to the SAM Corporate Sustainability Assessment in 2020.

Findings. The results of this study show that the most sustainable hotel companies did not take a strategic consistency approach when reporting the SDGs. These findings identify four areas for improvement concerning reporting, which may promote the adoption of a strategic and consistent approach in SDG reporting.

Practical implications. This study includes a set of recommendations to provide the market with complete, coherent and comparable information on their contribution to the SDGs and, therefore, foster collective learning to bring about sustainable tourism transformation.

Originality. This paper represents a contribution to the discussion on the strategic or symbolic implementation of SDGs at a corporate level. In addition, this paper reflects a deeper understanding of how hotel companies could improve their reporting and management system to contribute to SDGs.

Keywords: Sustainability Reporting, SDGs (Sustainable Development Goals), Strategic Consistency, Hotel Industry, Sustainability Risks.

1. INTRODUCTION

The dynamic and fast-changing landscape of our world today is largely dominated by increasing ecological and societal turbulence, as well as by the COVID-19 global pandemic crisis. Climate change, biodiversity loss, water scarcity, extreme natural disasters or epidemics, among others, adversely affect people and drastically reduce prosperity since they increase current social inequalities. Against this background, society is more and more demanding a really sustainable agenda to secure the social foundation for humanity while keeping within planetary boundaries. At an international level, the 2030 Agenda for Sustainable Development (The Sustainable Development Goals or the SDGs, UN, 2015), which is aligned with a broad triple bottom line framework (Elkington, 1997) for ensuring sustainable progress, is the direct response to this social demand. Moreover, as the Secretary-General of the United Nations states, the root causes and uneven impacts of COVID-19 demonstrate the increasing need for the 2030 Agenda, since it represents a coordinated and comprehensive international response and recovery effort, based on sound data and science and guided by the SDGs (UN, 2020a).

In the 2030 Agenda, companies play a key role in leading the transformative change required to achieve the SDGs (Rosati and Faria, 2019). Besides, the SDGs are being increasingly integrated into corporate agendas (Mori Junior et al., 2019). In parallel, different stakeholders demand more accountability regarding the corporate implementation of the SDGs, since few companies report their targets, indicators and contributions to the SDGs properly (Lopez, 2020; Mori Junior et al., 2019). In fact, literature calls into question whether the corporate reporting regarding SDG implementation is merely symbolic or truly strategic. In this respect, there is a large number of studies (e.g. García and Martínez, 2021; Izzo et al., 2020; Silva, 2021; Schramade, 2017; Van der Waal and Thijssens, 2020) that show an incomplete integration of the SDGs into the management processes with symbolic purposes instead of being genuinely part of the core strategy. Further research should be conducted to help companies to achieve a real SDG corporate implementation so as to connect management activities with the SDGs (Bebbington and Unerman, 2018; Silva, 2021). At this point, the research on how companies report their contribution to the SDGs has not been thoroughly explored (Diaz-Sarachaga, 2021; Erin and Bamigboye, 2021; García-Sánchez et al., 2020),

nor, in particular, the strategic consistency in SDG reporting, which is addressed in this study. On the one hand, this study aims to broaden the scope of those papers which focus mainly on the term “consistency” related to the different dimensions of sustainability (Ferrero-Ferrero, et al. 2016) or of those based on the level of SDG integration into the different variables of sustainability reporting (Avrampou et al., 2019; Erin et al., 2022; Izzo et al., 2020; Schramade, 2017; Van der Waal and Thijssens, 2020). On the other hand, it explores the alignment in SDG terms between three basic strategic elements (material aspects, corporate targets and performance indicators) to show a clear commitment to contributing to a specific SDG.

The tourism sector, and especially the hospitality industry, plays a crucial role in the EU due to its economic and employment potential and its social and environmental implications (de Grosbois, 2012). Therefore, the hotel industry is an important partner in the SDG journey. First, hotel companies develop activities which exert a direct and an indirect impact on the specific context where they operate. Second, the hotel activity encourages interactions with a broad range of industries; and third, their activity and their local impact make the creation of partnerships with the government and the civil society particularly relevant (Raub and Martin-Rios, 2019). In addition, while the global pandemic has left tourism vulnerable, it has also put the sector in a unique position to devise wider recovery plans and actions which promote the integration of sustainability into their activities (UNWTO, 2020). Therefore, the recent COVID-19 crisis has created a once-in-a-lifetime opportunity to alter the shape of the tourism sector; and, thus, increase its inclusivity, sustainability and responsibility and improve priority and strategic management planning. Moreover, we should focus our attention on building a sustainable and resilient future for all in a manner that is consistent with the SDGs.

Further research regarding sustainability in the hospitality industry would be worthwhile. Current studies highlight that the COVID-19 crisis should accelerate the transformation to a more sustainable post-pandemic industry; yet, to that end, a substantial change in corporate management should occur (Jones and Comfort, 2020). Consequently, studies focused on a strategic implementation of the SDGs may create a good chance to achieve a more sustainable transformation of the hospitality industry. In this context, the purpose of this article is to explore how effectively the world’s top five sustainable hotel companies have

integrated the SDGs into their reporting. The main aim is to pinpoint areas for improvement concerning SDG reporting which can help to integrate the SDGs into business strategy in a more holistic way and to reduce the risk of “SDG-washing” practices. In this regard, this study sets out to answer the following questions: Have these leading sustainable hotel companies reported their contribution to the SDGs from a strategic perspective? What improvements in SDG reporting should be encouraged from the analysis of the largest sustainable hotels?

To that end, this study has been divided into two parts. The first part adopts an empirical study approach to explore the strategic consistency of SDG reporting. Therefore, it assesses the extent to which the materiality analysis, corporate targets and performance indicators defined by leading sustainable hotels in their sustainability reports are consistent with those SDGs connected directly to the business. Based on the results of the empirical analysis, the second part offers some important insights as to how to secure improvements in SDG implementation.

2. BACKGROUND

Sustainable Development Goals and Corporate Sustainability

In the academic world, there is an increasing number of studies that explore the integration of the SDGs into the corporate strategy by using the concept of corporate sustainability (e.g. Ike et al., 2019; Izzo et al., 2020; Tsalis et al., 2020). According to Van Marrewijk (2003), corporate sustainability is defined as “company activities, voluntary by definition, demonstrating the inclusion of social and environmental concerns in business operations and in interactions with stakeholders”.

The SDGs, whose aim is to foster sustainable development, and which are closely connected to the triple bottom line framework, represent a shared vision for businesses, states and the civil society (ElAlfy et al., 2020). Companies use the SDGs as a tool, on the one hand, to analyze how the SDGs could impact their business activity; and, on the other hand, to show how they could contribute to their achievement. This initiative offers a new perspective for businesses, since the goals are connected to “impacts”, i.e. business operations can negatively

or positively affect their achievement, and the unit of analysis goes beyond the company. Accordingly, the SDGs identify those global sustainability challenges which can guide businesses through the process of promoting social and environmental development, and SDG targets can help to monitor the contribution to sustainable development (Elalfy et al. 2020; Santos and Bastos, 2020; Tsalis et al., 2020).

Despite these links between the SDGs and corporate sustainability, authors like Van der Waal and Thijssens (2020) or Schaltegger et al. (2017) highlight that more efforts and sustainability innovations are needed to establish a real relationship between, on the one hand, business operations, supply chains and products; and, on the other hand, science-based targets and some social dimensions of the SDGs.

Different international organizations have developed tools and frameworks to support companies in the operationalization of the SDGs, and to help companies “on how they can align their strategies as well as measure and manage their contribution to the SDGs” (GRI et al., 2015). More recently, this guide has added an annex to link the SDGs and GRI Standards (GRI, 2020a). Similarly, Adams (2017) offered a framework for contributing to the SDGs based on the Integrated Reporting framework. Grainger-Brown and Malekpour (2019) show that most of the frameworks provided by international organizations may help businesses to map and report their existing activities against the SDGs. However, they find a gap in the tools that help a business to use the SDGs as a competitive advantage by aligning strategically business activities with the SDGs. Therefore, further research into the SDGs and its connection to corporate sustainability from a strategic management approach is recommended (Grainger-Brown and Malekpour, 2019; Ike et al., 2019).

Sustainable Development Goals and Sustainability Reporting

The literature has recently explored the integration of the SDGs into sustainability reports. In fact, the keyword “SDG reporting” has emerged to refer to “the practice of reporting publicly on how an organization addresses the SDGs”. In this respect, Rosati and Faria (2019) highlight the relevance of SDG reporting to guide organizations to plan, implement, measure and communicate SDG corporate efforts. In parallel, sustainability reporting is also an

important tool to catalyze changes towards sustainable development by engaging with different stakeholders (Adams and McNicholas, 2007).

However, there are discrepancies on how an organization includes the SDGs in their sustainability reporting. In this regard, Rosati and Faria (2019) and Van der Waal and Thijssens (2020) reveal the presence of the SDGs in sustainability reports as a proxy of the corporate involvement. There is a large volume of published studies (e.g. Izzo et al., 2020; Schramade, 2017; Tsalis et al., 2020) that assess the quality of information published in sustainability reports regarding the SDGs and the progress towards their achievement. Other academic papers (e.g. Arena et al., 2023; Garcia-Sanchez et al., 2022; Pizzi et al., 2021; Rosati and Faria 2019) explore those factors that can affect the performance of SDG reporting, such as the institutional environment, the size of the firm, the geographical area, the level of internationalization, the economic performance of firms and/or the characteristics of board of directors. However, those studies that perform an in-depth analysis of how companies address the SDGs highlight that there is still room for improvement.

In this respect, Avrampou et al. (2019) have developed a scoring system to assess the capacity of reports to provide detailed information on GRI indicators connected to the SDGs. The main results suggest a limited overall reporting performance on how companies contribute to the SDGs. Schramade (2017) explores the corporate progress on integrating the SDGs into corporate reporting. This article shows that more than 40% of companies mention the SDGs in their reporting or website; however, less than 10% properly integrate the SDGs into their strategic decisions and only 5% provide SDG performance indicators. Izzo et al. (2020) examine how Italian listed companies disclosed information about the SDGs by analyzing whether companies dedicate a specific section to the SDGs. The main findings of this study reveal that companies have introduced the SDGs in their reporting; yet, a small number of companies related their business models or their key performance indicators (KPIs) to the SDGs. Van der Waal and Thijssens (2020) perform a quantitative and qualitative analysis of corporate involvement in the SDGs. To that end, the study considers the following variables: CEO engagement with the SDGs; the reasons offered by companies regarding their involvement in the SDGs; the SDG contribution to the business and the measurement of the SDGs, among others. They conclude that the corporate involvement in the SDGs is more symbolic and intentional than substantive. Heras-Saizarbitoria et al. (2022) analyzed the

organizations' engagement with SDG using sustainability reports from a large number of organizations at international level and conclude that the vast majority of organizations adopt a superficial approach to tackling the SDGs in their reports, suggesting that companies apply "SDG-washing" practices.

According to the legitimacy theory, recent studies (Silva, 2021; García-Martínez, 2021; Nicolò et al., 2022) discuss whether SDG reporting is substantial or symbolic. In this respect, organizations implement SDG reporting as a means of managing their legitimacy with their stakeholders. On the one hand, SDG reporting may be substantive provided that the disclosure related to the SDGs is connected with the corporate strategy and may lead to changes in management processes, practices and company performance. On the other hand, SDG reporting may be symbolic if it involves changes in the presentation of sustainability information in the reports rather than changes in management practices and processes that are essential to achieve the SDGs. Symbolic SDG reporting could be explained by the impression management approach (Leary and Kowalski, 1990) which has been recently connected with greenwashing practices in sustainability reporting (Ferrero-Ferrero et al., 2021). Accordingly, companies could adopt superficial SDG reporting in terms of reputation and to influence stakeholder perception without showing a consistent strategy to contribute to the SDGs. This approach is related to the rainbow-washing concept, since there is deliberately misleading sustainability communication.

The above-mentioned empirical studies (Avrampou et al., 2019; Schramade, 2017; Izzo et al., 2020; Van der Waal and Thijssens, 2020) demonstrate that a growing number of companies display a purely symbolic commitment to the SDG initiative since, in their sustainability reports, they fail to show a complete integration of the SDGs into the business and a lack of performance indicators to track the progress towards those goals. This fact raises a question about whether companies are adopting the SDGs from a strategic point of view. Hence, further academic research into sustainability reporting is needed to understand how companies may seamlessly integrate the SDGs into their reporting with meaningful action, and to provide new practices and tools to contribute to a real SDG corporate implementation (Bebbington and Unerman, 2018; Silva, 2021). In order to bridge this gap, this study seeks to show how the strategic consistency of SDG reporting may connect

corporate management with external communication, and, consequently, may contribute to the full disclosure of the SDGs in the management of corporate legitimacy.

To enhance the effectiveness of sustainability reporting, comparability and consistency should be ensured (EC, 2014). Regarding comparability, the SDGs also serve as a framework to compare the content of sustainability reports with the challenges posed by the 2030 Agenda (Tsalis et al., 2020). In terms of consistency, to the best of our knowledge, no study to date has examined this concept in sustainability reporting. Previous studies (e.g. Avrampou et al., 2019; Erin et al., 2022; Izzo et al., 2020; Schramade, 2017; Van der Waal and Thijssens, 2020) have explored SDG reporting based on the level of disclosure of different dimensions of sustainability reporting. Strategic elements such as targets and KPIs are included; yet, consistency among the different elements of the SDGs is not ensured. In this respect, a lack of consistency may denote symbolic SDG reporting, where the connection of strategic elements to the SDGs could be established in the last phase of the reporting cycle in order to comply with communication purposes.

This study explores the extent to which companies adopt the SDGs in their reports from a strategic consistency point of view. Strategic consistency could be understood as an alignment of aspects or values among all the stages of the strategic management process of the company, from its mission to the measurement and reporting of its outcomes (Moneva et al., 2007). In this regard, the corporate sustainability vision should be defined in terms of goals, which are detailed in objectives and targets and other concrete elements that determine the path of the goal and the strategy of action (Adams and McNicholas, 2007). This approach highlights that the SDG relationship with business operations does not comprise isolated actions but thoroughly integrate the corporate strategy, which sees the relevance of consistency as a necessary condition for the deployment of an effective sustainability strategy (Rivera et al., 2017). In this respect, corporate governance plays an important role in making effective decisions about proactive sustainability practices (Galbreath, 2018). Moreover, the commitment of the highest corporate decision-making level to the SDGs is essential to achieve strategic consistency.

3. METHOD

The method for analyzing the information published in reports is based on the SDG-related information connected with strategic consistency (Moneva et al., 2007). Strategic consistency is defined as the coherence between the commitment to the SDGs at the highest decision-making level and the alignment of SDG business contribution with the materiality analysis, corporate targets and performance indicators. Figure 1 displays the proposed systematic analysis to assess the strategic consistency of SDG reporting.

The selection of the dimensions regarding a consistent SDG deployment is based on the main frameworks that companies use in SDG implementation (Adams 2017; GRI, UN Global Compact, WBCSD, 2015; PwC, 2023) and on strategic consistency literature (Moneva et al., 2007; Rivera et al., 2017), as well as they are aligned with the interconnected themes highlighted in the Standards Guidance for the SDG Impact Standards for Enterprises (UNDP, 2023) which are: strategy, management approach, transparency, and governance. Therefore, the strategic consistency in SDG reporting defined in this study will allow us to demonstrate how companies align their commitment with the SDGs. Moreover, this study will show how genuine their commitment is by means of SDG deployment along strategic elements (materiality, corporate targets and performance indicators) included in the reporting (Bernardino, 2021).

{Insert Figure 1. Flowchart of Strategic Consistency in SDGs Reporting Here}

Content analysis is a widely used research technique for interpreting, from an objective and rigorous perspective, the content or contextual meaning of text data (Tesch, 1990; Dumay and Cai, 2015) and has been widely used by exploring sustainable development goals reporting practices (Manes-Rosso and Nicolo', 2022). Previous research (e.g. Costa et al., 2022; Nyahunzvi, 2013) has applied this technique to assess the suitability of sustainability reporting (or a specific part) in the hotel sector. This study has used the published annual reports as the primary source of data. In particular, an in-depth analysis of the top-five leading sustainable hotels was carried out by using 2019 sustainability reports or integrated reports (published in 2020). In particular, the public reports of Hilton Worldwide Holdings Inc. (2020), InterContinental Hotels Group PLC (2020), Meliá Hotels International (2020), NH

Hotel Group (2020) and TUI Group (2019)² hotels have been analyzed. The order in which the hotels have been analyzed in the results section does not correspond to the order they have been listed in this section.

The selection of a single industry and a specific group of international hotels, which are the world's top sustainable hotels, contributes to controlling external factors that may affect the quality of SDG reporting (Arena et al., 2023; Garcia-Sanchez et al., 2022; Pizzi et al., 2021; Rosatti et al., 2020). The research questions, which look at reporting concerning the contribution of hotel companies to the SDGs, have been defined in the introductory section.

This paper follows a content analysis method. The content to be explored has been identified in Figure 1, which has been coded according to the rules defined in Table 1. The unit of analysis is SDG-related themes which could be addressed in a text or an image format.

{Insert **Table 1. Coding agenda** Here}

This study includes different dimensions of SDG reporting that ensure strategic consistency. These dimensions represent the minimum required to contribute significantly to the SDGs according to the practitioner's framework above-mentioned which have been used as a point of reference in recent studies focused on SDG reporting (e.g. Erin et al. 2022; Manes-Rossi and Nicolo', 2022; Van der Waal and Thijssens 2020).

First, this study has explored whether the statement from the decision-makers in senior management shows a clear commitment to the SDGs, identifying and analyzing those explicit or implicit sentences related to the SDGs. This variable represents a proxy of the how important the SDGs are for companies and how willing companies are to integrate them into strategic management. Several studies have included this variable in the evaluation of SDG reporting (Van der Waal and Thijssens, 2020).

Secondly, this study has identified and matched the SDGs related to the business, material aspects, corporate targets, and KPIs. The objective of a materiality analysis is to prioritize topics in terms of relevance to both companies and their stakeholders (GRI, 2020b). In this

² This study used TUI Group's 2018 sustainability report (published in 2019) since it is consistent with the 2019 data (e.g. the materiality matrix is common for both years) and more completed in terms of SDGs related-information.

study, the SDGs related to material aspects have been obtained by mapping the SDGs against those material aspects.

Materiality analysis consists in establishing a systematic procedure for addressing subjectivity in judgement and ensuring completeness of all relevant aspects (Calabrese et al., 2016; Whitehead, 2017). Therefore, this study expects that those SDG more relevant to the business are aligned with the material aspects identified in sustainability reporting. Consequently, those SDG-related material aspects become a priority area for setting and communicating targets and performance indicators. This study has identified the SDG-related targets as those quantifiable benchmarks that companies set to be reached in the short-term (usually in the next year) and which present any type of relation to the SDGs. Focusing on KPIs, this study has identified those specific measurements or methods that companies follow in their reports to evaluate (or that could evaluate, in the case of implicit analysis) corporate SDG performance.

The connection of these strategic elements with the SDGs is a fundamental exercise that any company must perform to align the efforts of a company and ensure a clear contribution to the SDGs. Previous studies in SDG reporting have addressed variables like prioritization and materiality analysis, company targets or KPIs (Costa et al., 2022; Erin et al, 2022; Izzo et al., 2020; Manes-Rossi and Nicolo', 2022; Schramade, 2017) to assess the reporting contributions to the SDGs; however, the consistency of the different strategic elements is still a novel research area.

In order to match the strategic elements to the SDGs, this study has adopted an inclusive and flexible approach. In a first stage, the authors established the relationship between material aspects, targets, and KPIs and each of 17 SDGs according to the company criterion disclosed in the reporting. This study set up a relationship whether the company shows the inclusion of some explicit evidence between the content explored and the concrete SDGs (e.g. by showing the picture of a specific SDGs or making a mention of a specific SDG) in their reporting.

In a second stage and as a validation phase, when reports did not make an explicit connection between the SDGs, the authors repeated the analysis, established relationships and included the most significant indirect relationships. In this case, the defined relationship has been

coded as an “implicit relationship”. To achieve this, this study used the GRI (2020a) which connects the SDGs with the GRI Standards, and expert knowledge. In this respect to match the material topics, targets and KPIs with the SDGs, this study applies the judgment of two researchers taking the GRI (2020a) as a basic reference. In case of any discrepancies, a third researcher analyzed the information to reconcile different positions (Roman et al., 1999). Regarding the matching of material topics with the SDGs, the researchers, considering the contextual information about the material topic in the reporting, identified the related SDG or SDGs. Focusing on the targets and KPIs, the application of the GRI (2020a) was more direct, since the majority of reports follow the GRI framework. Finally, it is worth mentioning that these relationships are not based on the idea of univocal correspondence and to cover a specific SDG, this study has required only one connection.

The previous data has been extracted using desk research from the five of the most sustainable hotel companies. In order to select the hotel companies, this study has specifically used the RobecoSAM Corporate Sustainability Assessment, the largest database that contains over 6000 companies and serves as a database for many research articles and is readily available for many investors and scholars (Drempetic, et. al. 2020).

The paper is based on the hotel companies’ “Total Sustainability Score” (TSS) which is calculated under RobecoSAM’s annual Corporate Sustainability Assessment (CSA). CSA evaluates aspects concerning the economic, environmental and social dimensions. Its methodologies are applied by several sustainable, ethical or socially responsible stock indices that select companies based on their economic, environmental and social performance (Escrig-Olmedo et al., 2010).

The SAM Corporate Sustainability Assessment (SAM, 2020) is recognized as a leading sustainability rating that tops the global ranking in terms of value and use for global corporations (SustainAbility Institute, 2020). It includes the SDGs in the assessment and considers the SDGs as a “North Star” for sustainability (Diaz-Sarachaga, 2021). Companies receive a Total Sustainability Score which ranges from 0 (lowest) to 100 (highest) and are ranked against other companies in their industry and can be awarded by the best score of all companies assessed in a specific sector. This study has selected the “best in class” hotels with a Total Sustainability Score higher than 70 points, which corresponds to the top-five leading sustainability hotels.

The previous information has been analyzed according to both qualitative and quantitative approaches. In the qualitative research, a descriptive analysis has been conducted to explore the links between the different variables by hotel company. In the quantitative research, this study has used the SDG as the unit of analysis and consequently has a sample of 85 observations. This study has applied a non-parametric test (Kolmogorov-Smirnov test) to analyze whether the distribution from the consistent relationships differs from the one derived from inconsistent relationships (see Table 3, column 1 and 2). Additionally, this study has used the correlation coefficients with the aim of improving the robustness of the results.

4. RESULTS AND DISCUSSION

Descriptive analysis

In the first stage, the study about Sustainable Development Goals reporting in top-five leading sustainability hotels shows how each company refers to the SDGs in the initial statement of the report. Hotel A mentions that their commitment to society and to the planet is a core component in their strategy, which is consistent with a high commitment to SDGs, as recommended by Grainger-Brown and Malekpour (2019) and Ike et. al (2019). However, in their statement, Hotel A regards the SDGs as external factors that demonstrate the relevance of sustainability. Hotel B states that their own 2030 Goals, which are aligned with the UN SDGs, are connected with their strategy. The Hotel C's report includes an initial statement by the CEO and a presentation of their sustainability approach by the director of sustainability; however, these parts of the report do not include any reference to the SDGs or the 2030 Agenda, which is inconsistent with the sustainability strategic management approach. Hotel D highlights the impact that they have on 11 of the 17 SDGs. Hotel E indicates that they have set their own 2030 targets which will contribute to the achievement of the UN SDGs. Therefore, four out of these five companies include the SDGs in their initial commitment. Hotel B and Hotel C set their own 2030 goals which are in keeping with the UN SDG initiative. However, Hotel A and Hotel D understand the SDGs as an initiative that defines the global sustainability challenges, without establishing a clear connection with their corporate strategy in the initial statement. This result raises serious doubts about the commitment to the SDGs at the highest company level and about the superficial approach of

hotels to engage with the SDG, which is consistent with previous literature (e.g. Avrampou et al., 2019; Schramade, 2017, Heras-Saizarbiotria et al. 2022).

Figure 2 shows in more detail results obtained by each company in terms of strategic consistency, based on the relationship that business contribution, material aspects, corporate targets and KPIs have with the SDGs.

Hotel A displays a strong commitment to achieving the SDGs and brings five of those goals into focus. Moreover, it explicitly states that the SDGs are underlying factors in their Sustainability Master Plan, and identifies the SDGs related to the material issues and the SDGs linked with the 2020 sustainable development objectives. Despite the effort to link the SDGs with different strategic items, apparent inconsistencies have emerged in this study. First, all the SDGs except for Goal 14 (Life Below Water) are linked with material aspects, although Hotel A is mainly focused on five SDGs. This relationship becomes inconsistent when the materiality matrix is analyzed since in the prioritization ranking the critical material aspects are connected to a set of goals not included in the list of core SDGs for Hotel A (Goal 3, Goal 6, Goal 9 and Goal 17). Goal 15, which is classified as a core SDG for Hotel A, remains at a medium level of relevance for internal and external groups in the materiality matrix (the last one in the prioritization ranking of the material aspects). Second, the critical material aspects do not match with three out of the five SDG-related targets (Goal 7, Goal 11 and Goal 13). Third, Hotel A does not associate SDG-related targets with business contribution to SDGs in three out of the five SDGs that Hotel A Business contribution is focused on (Goal 8, Goal 15 and Goal 16).

Hotel B includes the SDGs in different sections such as their own 2030 goals, the 2019 goal progress, the materiality assessment and actions to address environmental and social impact, although in some of these sections the SDG connection is not well established. Hotel B points out that the most significant contribution is made to four SDGs (Goal 8, Goal 11, Goal 12 and Goal 13). These goals are justified by the materiality assessment; however, other material aspects like data privacy or governance (bribery, corruption or risk management) are not explicitly included in their own 2030 goals. Nonetheless, there are other SDG-related material aspects that are not considered as the most important SDG business contribution

(Goal 1, Goal 3, Goal 4, Goal 6, Goal 7 and Goal 14). In the case of Hotel B, all SDG-related material aspects are matched with SDG-related corporate targets except for Goal 15.

Hotel C highlights seven SDGs (Goal 4, Goal 7, Goal 8, Goal 12, Goal 13, Goal 14 and Goal 17) which are directly connected with its sustainability strategy. In terms of consistency, Hotel C provides a broad definition of their strategy which includes the SDGs to which it contributes, the 2020 targets, the metrics for measuring those targets and the progress made in terms of KPIs. Despite this, this study has observed some inconsistencies with respect to the materiality analysis. For instance, Hotel C connects Goal 4 and Goal 17 to strategic lines of the business; however, these aspects are not directly considered as critical in the materiality matrix.

Similarly, Hotel D outlines eleven SDGs as global goals on which they have an impact. Although it includes specific KPIs and the data for 2019 in each of the selected SDG, the study finds a serious lack of information regarding SDG-related targets.

Hotel E identifies seven SDGs as those that their business can make the largest contribution to, and accounts for each SDG and their contribution in 2019. Although Hotel E includes SDG pictures linked with specific hotel initiatives and practices, it does not establish an explicit connection of the SDGs with material aspects, targets or performance data.

{Insert Figure 2. SDGs alignment in SDGs Reporting Here}

Table 2 shows the results of strategic consistency in SDG reporting in the cases properly selected. The main finding is that none of the companies show clear strategic consistency in SDG reporting, which is in line with the superficial operationalization of the SDGs of companies discussed in previous studies (Heras-Saizarbitoria et al., 2022; Grainger-Brown and Malekpour, 2019; Ike et. al 2019). Even though most hotels include the SDGs in their initial statements and the SDGs related to the business are mainly related to material aspects (although there are inconsistencies concerning the prioritization of the materiality matrix), the results reveal a gap in their explicit alignment with corporate targets and performance indicators (see Table 2a). In fact, only one of the leading sustainable hotel companies clearly shows the indicators related to the SDGs in the report. This result is unexpected given the wide adoption of GRI standards of the hotels and the document to link SDGs and GRI

(2020a). According to Pizzi et al., (2021), a possible explanation is that the GRI standards were not originally developed to guide companies on the contribution to the SDGs.

{Insert **Table 2: Strategic Consistency in SDG Reporting** Here}

This study has repeated the analysis considering the implicit connections of the different strategic elements (materiality, corporate targets and performance indicators) with the SDGs (See Table 2b). Although this study has found at least an implicit KPI linked with the defined targets, the hotel companies publicly provide specific and limited commitments with respect to their targets which do not address all the relevant SDGs. This analysis reveals a lack of consistency between the material aspects and the SDG-related targets which further supports the previous results.

Statistical analysis

With the aim of analyzing whether there are statistical differences between the different elements of the strategic consistency, this study displays in Table 3 the results of the non-parametric Kolmogorov-Smirnov test. The results show there are no differences in the materiality results according to whether the aspects are related or not to those SDGs identified as significant for the business (H_1). The results do not find support to a relationship between SDGs-related corporate targets and SDGs-related key performance indicators (H_3). However, this study finds that there are less SDGs-related corporate targets identified in those non-SDGs-related material aspects than in the others (H_2).

{Insert **Table 3: Statistical analysis to test the strategic consistency in SDGs Reporting** Here}

In order to answer the first research question and considering the previous analysis, the main findings indicate that the leading sustainable hotels have not adopted a consistent strategic approach to SDG reporting. This result is aligned with previous research which concludes that the SDG initiative is symbolically adopted in sustainability reporting (Avrampou et al., 2019; Schramade, 2017; Izzo et al., 2020; Van der Waal and Thijssens, 2020).

However, if this study analyzes all the information, including the sustainability data which is not associated with SDGs explicitly in the reporting, this study observes that the relationships among the strategic elements are consistent. That is, if the aspect is not associated to a significant SDG for the business, it is more likely that the aspect will be not material; if the aspect is not material, it is more likely that the company does not define a related target; if the related target is not defined, it is more likely that the company does not consider a related KPI. This finding could suggest that although the management system considers some type of relationships between the different elements of the strategic consistency, it is needed to advance towards a more evident connection between the management systems to the reporting practices in the SDGs framework. Some recent standards such as UNDP (2023) could guide the effort of companies in this direction.

{Insert **Table 4: Correlation matrix of the strategic consistency** Here}

Table 4 shows the results of the correlation matrix of the elements of the strategic consistency. On the one hand, the results are in line with the results shown in Table 3, since the relationships between SDGs contribution and material aspects, and between material aspects and KPI indicators are not significant when the study considers explicit information. On the other hand, the study could evidence a clear strategic consistency whether the value of the coefficient archive 1 between SDGs contribution and material aspects, between material aspects and targets, and between targets and KPIs. Therefore, although the study finds a positive relationship between all the elements when the analysis considers implicit information, in the best case, the coefficient is around 0.5.

The main results of this study suggest that the major leading sustainable hotel companies have not adopted a consistent strategic approach to align their strategies, targets and measures with the SDGs, which is in line with the symbolic approach previously discussed in the literature (Avrampou et al., 2019; Schramade, 2017; Izzo et al., 2020; Van der Waal and Thijssens, 2020). Therefore, there is abundant room for further progress concerning the adoption of the SDGs in reporting.

Overall, the results of this study show an inaccurate, non-transparent and strategically disoriented SDG reporting. In this respect, this study contributes to the discussion about the

possibility to carry out impression management practices in the preparation of sustainability reports (Talbot and Boiral, 2018) to meet stakeholders' expectations in the first instance rather than the usefulness of SDG reporting in demonstrating a true commitment and the roadmap to contribute to SDGs. In this respect, as Lashitew (2021) highlights that this result may lead to a high risk for corporations, since they can use the SDGs for "greenwashing" purposes, creating asymmetries of information with the subsequent impact on the decision-making of stakeholders.

This finding indicates the need to guide companies by standardizing the process of disclosure their progress on SDGs, addressing strategically sustainability, with a consistent and comparable reporting and ensuring a process of independent verification of SDG reporting (Heras-Saizarbitoria et al., 2022; Lashitew, 2021).

This fact has led to that in some geographical areas, such as Europe, the content and quality of the sustainability report that companies are obliged to publish is being regulated (e.g. The European Parliament and the Council of the European Union, 2022).

To achieve this, as Kanie et al. (2019) point out, it is necessary to move from rules to objectives, with the main pillar being the emergence of new governance strategies that give coherence to the actions to achieve the SDGs. The key to the success of the coherence of these actions is that the actions undertaken to meet each of the SDGs are consistent within and between each other to achieve the SDGs for sustainable development as a whole in the long term.

5. PRACTICAL SUGGESTIONS FOR ACCELERATING PROGRESS ON SUSTAINABLE DEVELOPMENT GOAL REPORTING

This section attempts to answer the second research question as to how hotels could improve their practice of SDG reporting and highlight some main points to accelerate the progress on Sustainable Development Goal reporting.

Top-level management should display a clear commitment to the integration of the SDGs into their business strategy. Although the leading sustainable hotel companies mention the SDGs (or 2030 Agenda) in their initial statement, not all the companies are

strongly committed to integrating the SDGs into their corporate strategy. However, this commitment is essential to create a favorable environment for a real integration of the SDGs into management. After the COVID-19 outbreak, this integration has become more imperative in a scenario where the current crisis is regarded as a “learning event” which will help to accelerate the transition towards sustainability. In this respect, the United Nations (UN, 2020b) states five priority areas to transform the tourism sector in post-COVID-19 times, where sustainability plays an underlying role in their recovery. This requires the adoption of sustainable corporate governance to integrate sustainability risks and opportunities into the decision-making process, which will prevent greenwashing and will help to reach the SDGs. Accordingly, it is vital that the initial statement clearly shows a genuine corporate commitment to integrating the SDGs into their strategy so as to define the roadmap of the company, show a strong determination to deliver on the SDGs and enable stakeholders to monitor the compliance of those commitments.

2.0 materiality analysis to integrate a risk approach using a sustainability risk map.

In global terms, the 17 goals included in the 2030 Agenda are equally important and have an integrated nature (Forestier and Kim, 2020). However, the frameworks that help companies to operationalize the SDGs include a step to define priorities or identify material sustainable development issues, which could lead to the adoption of cherry-picking practices. Additionally, the current sustainability matrices included in sustainability reporting expose several limitations due to the heavy dependency companies have on individual decision-making, which hinders peer comparison and results in ambiguous criteria (Ferrero-Ferrero et al., 2021). In parallel, the results of this study show that although the SDGs connected with the business are justified by material aspects, there are material aspects that have not been connected with any SDG. The COVID-19 pandemic has revealed that tourism nowadays is not resilient and the pandemic consequences could be an analog to unmitigated global sustainability risks like climate change that could be materialized in the future (Gössling et al., 2021). Consequently, this paper suggests the adoption of a sustainability risk map which integrates science-based sustainability indicators, considers the impacts along the global supply chains (e.g. footprints indicators) and shares expert knowledge to face other threats to the hotel company and to validate the results (e.g. hotspots analysis). Finally, the identified and assessed risks should be classified by those material SDGs which are linked with any

relevant risk for the hotel company. This proposal contributes to removing the inconsistencies which have emerged in this study regarding the SDGs and the materiality analysis.

The SDGs should be established within a framework for improving the comparability of sustainability reports and for enhancing the strategic consistency in SDG reporting.

The main result is that the most sustainable hotel companies have not adopted a strategically consistent approach in the integration of the SDGs into their sustainability reports. The previous analysis showed that companies have followed the most accepted sustainability reporting frameworks (Global Reporting Initiative or GRI or Integrated Reporting) and they map their activities against the SDGs without consistently reconsidering the sustainability strategy and its deployment from the angle of the 2030 SDGs. In order to improve the comparability and strategic consistency in SDG reporting, this study suggests adopting the SDGs as a framework to organize sustainability information. In each SDG section, the company should identify the risks related to the specific SDG, which has been included in the risk map mentioned above, the corporate related-targets and the related-KPIs. A specific SDG might not be reported, and consequently not be considered in the corporate strategy, whether it does not have a related risk in the risk map.

SDG targets and indicators at the industry level to foster transformation towards sustainability and resilience in the hotel business environment. This paper shows a disconnection between SDG-related material aspects, targets and indicators. In this respect, this study suggests creating the global indicator framework for the SDGs and targets at the hotel industry. In this regard, our proposal is to adapt the SDG indicators and targets to the particularities of the industry, considering the current context of the pandemic, to gain a common understanding on how to transform the hotel industry by defining the targets they should reach and the key indicators they should measure.

6. CONCLUSIONS

This study analyses how the hospitality industry addressed the SDGs in sustainability reporting and how this industry could improve consistency in SDG reporting. The first section of this study has identified, by adopting a qualitative approach, the most sustainable leading hotel companies in order to explore how aligned their SDG reporting is with the

strategic elements (materiality, corporate targets and performance indicators). The main findings reveal that the most sustainable hotel companies did not report the SDGs from a strategic consistency perspective. This result could be explained by the fact that the real contribution of the hospitality industry to the SDGs is still a dream. The sustainability reports of the selected cases show a lack of strategic consistency in the integration of the SDGs into the management system. For this to happen, it is necessary to move from rules to objectives, with the main pillar being the emergence of new governance strategies that give coherence to the actions to achieve the SDGs.

Due to the results, this study also proposes four areas for improvement in the practice of reporting that can serve as drivers to adopt a strategic and consistent approach to make the contribution to the SDGs a reality. This study provides a sound basis for reconsidering a transformation of the hospitality industry, and tourism in general, towards a more resilient and sustainable system more aligned with the SDGs.

Theoretical and practical implications

This study carries several theoretical and practical implications. From a theoretical point of view, this study contributes to the debate about the strategic or symbolic implementation of the SDGs at the corporate level. In this regard, this study contributes to the existing literature analyzing a new dimension “strategic consistency” of SDG reporting. In particular, this study suggests adopting the strategic consistency of SDG reporting to provide substantive disclosure of the SDGs in the management of corporate legitimacy. Also, this paper opens up a new avenue of research on the strategic consistency in SDG reporting. Future studies may achieve further progress on strategic consistency and the alignment of business contribution, material aspects, corporate targets and KPIs related to the SDGs.

From a practical point of view, this study is focused on the leading sustainable hotel companies as key change mobilizers in the industry. In this regard, this study may stimulate a collective learning process among the different hotels to accelerate the transformation of sustainable tourism. Moreover, this study may help to improve the capacity of hotel companies to strategically integrate the SDGs into their management and suggests a new framework to provide coherent, complete and comparable information to the market on their

contribution to the SDGs. In addition, this study may have a positive impact on the recovery and long-term economic performance of hotel companies since the four areas for improvement will allow companies to assess sustainability risks, to improve supply chain management, to efficiently manage the use of resources and, consequently, to invest in business continuity.

Finally, focusing on the results considering all the sustainability data, including the information that is not associated with SDGs explicitly in the reporting the following reflective questions on the role of the GRI framework arise: Could the hotel companies be influenced by the GRI's own strategy of linking its standard to the SDGs? Does the GRI standard promote an implicit strategic consistency? Is the hotel company aware of the implicit consistency? These questions open new research works in this topic for future studies.

Research limitations

A number of limitations need to be considered. First, the empirical analysis has been carried out using the “top-five leading sustainability hotels”; yet, they represent the most sustainable cases according to the SAM Corporate Sustainability Assessment. Moreover, this research has been applied in large and international hotel companies, which may not depict the whole picture of all hotel companies and may, therefore, limit the generalizability of results. This study could be replicated in future research by extending the number of hotel companies, their typology and including more years to test the robustness and the validity of the results. Another limitation is connected with the source of information, which is not standardized for all the sample, and when the study explores the implicit contribution to the SDGs, a degree of interpretation was required by analysts. More efforts from the academia and practitioners should be made to improve the comparability of public information and to avoid inconsistencies and bias in the information understanding.

On the other hand, the empirical analysis is conditioned by the sample and the availability of information obtained from the websites or from the latest reports available at the time, most of which correspond to the financial year 2019 and one to 2018. This shows that they may

be publishing outdated data and that there is a gap between the actions they implement, the results they obtain and what they report.

In conclusion, the current context offers an opportunity to rethink corporate strategies to contribute to sustainable development. In this regard, corporate sustainability requires that companies overcome short-termism, extending their vision to manage financial and extra-financial risks in the mid and long term, which allows companies to be more resilient. In this context, this research presents the strategic consistency of SDG reporting as a powerful tool to guide hotel companies on how to integrate sustainability in their corporate strategy, which will help to transform the hotel industry and to make the contribution to the SDGs a reality.

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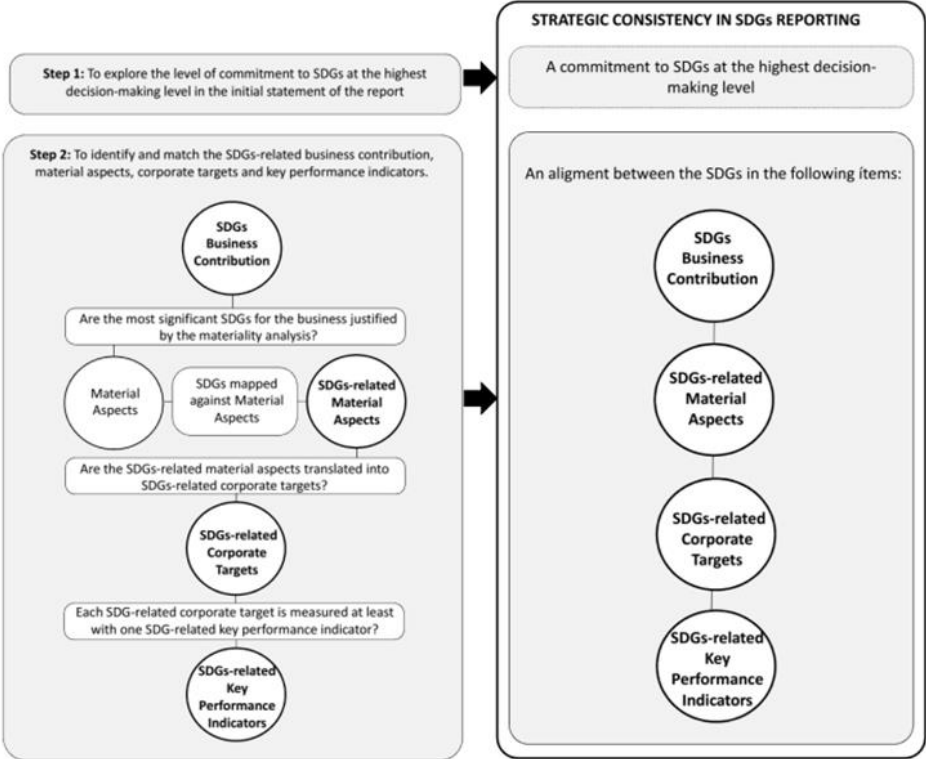
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Figure 1. Flow chart of Strategic Consistency in SDGs Reporting



Source: Own creation

Figure 2. SDGs alignment in SDGs Reporting

Figure 2a. Hotel A

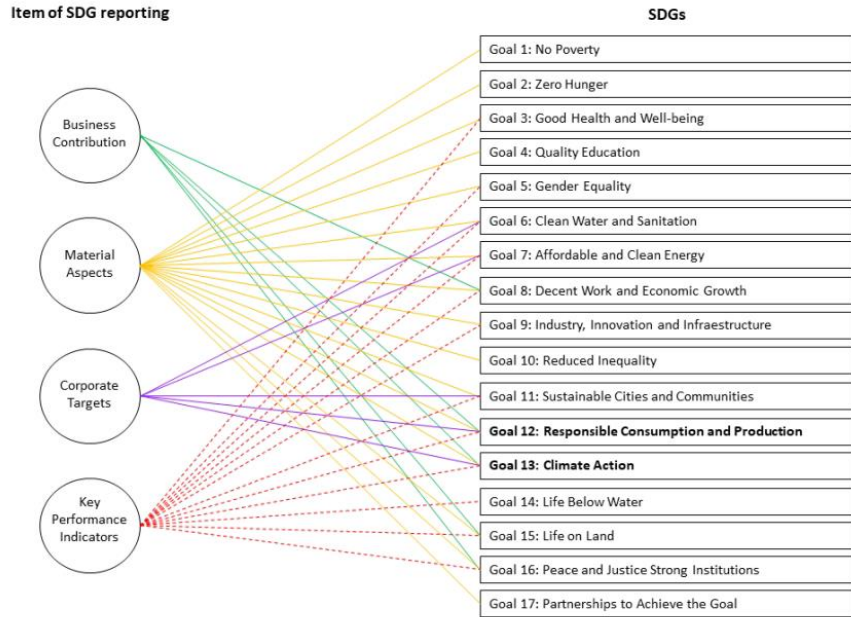


Figure 2b. Hotel B

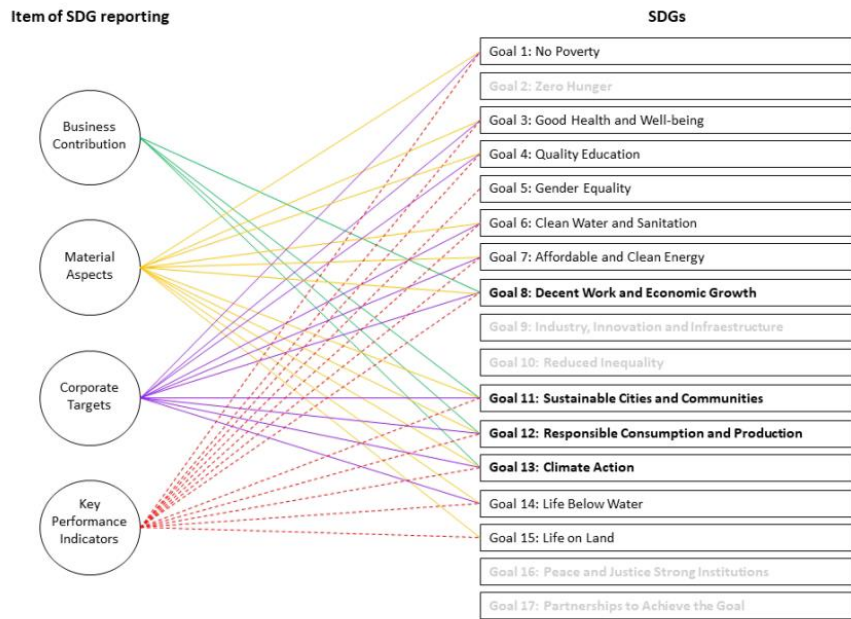


Figure 2c. Hotel C

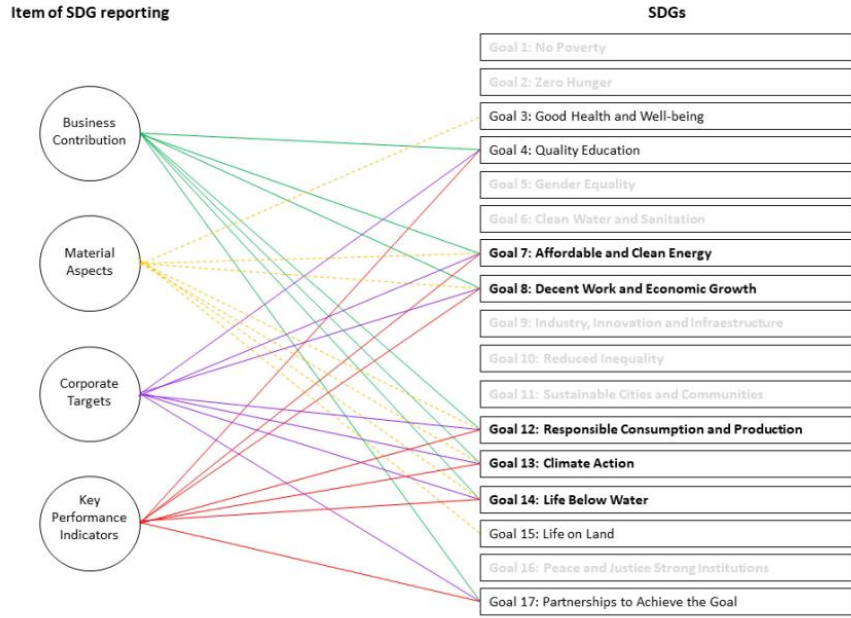


Figure 2d. Hotel D

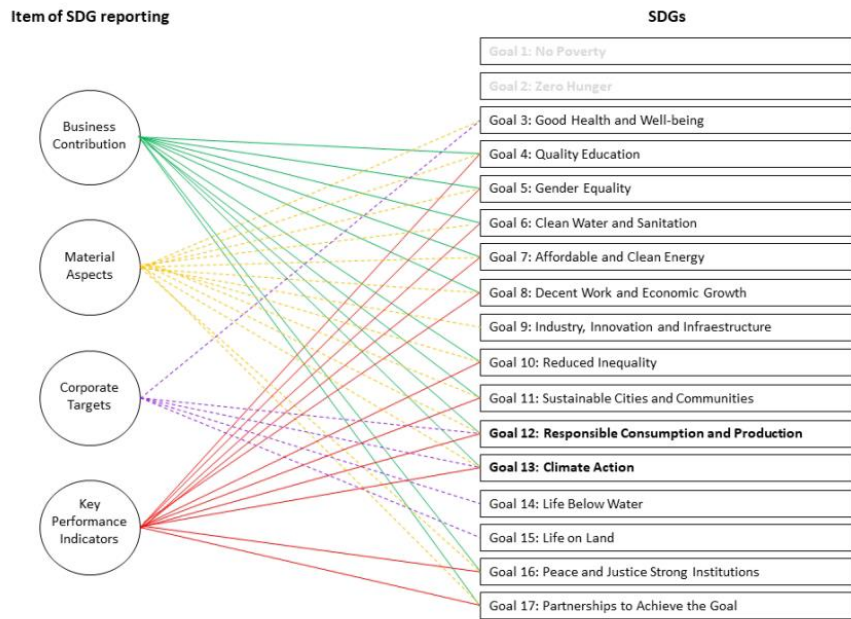


Figure 2e. Hotel E

Item of SDG reporting

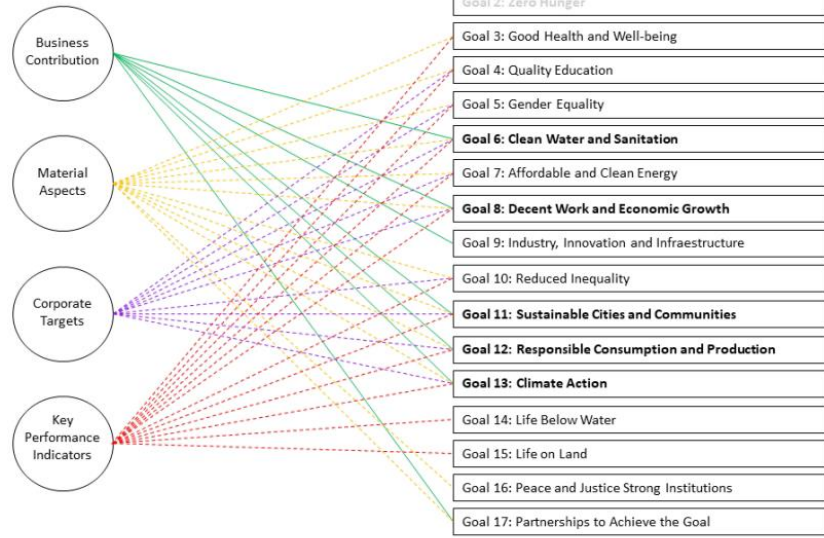


Table 1: Coding agenda

Variable Name	Description	Coding Rules
Commitment to SDGs	A strong commitment to SDGs (or 2030 Agenda) at the highest decision-making level in the initial statement	<p>‘Yes’: SDGs included with a connection with the corporate strategic elements.</p> <p>‘Partially’: SDGs included but without a clear connection with the corporate strategic elements.</p> <p>‘No’: SDGs are not mentioned in the initial statement.</p>
Consistency between SDGs and materiality analysis	Are the most significant SDGs for the business justified by the SDGs-related material aspects?	<p>‘Yes’: All SDGs identified as significant for the business are justified by the materiality analysis.</p> <p>‘Partially’: Some of the SDGs identified as significant for the business are justified by the materiality analysis.</p> <p>‘Non-included explicitly’: The materiality analysis does not mention any SDGs</p> <p>‘No’: All the SDGs identified as significant for the business are not justified by the materiality analysis.</p>
Consistency between SDGs-related material aspects and SDGs-related corporate targets	Are the SDGs-related material aspects translated into SDGs-related corporate targets?	<p>‘Yes’: All SDGs-related aspects identified as material are translated into SDG-related corporate targets.</p> <p>‘Partially’: Some SDGs-related aspects identified as material are translated into SDGs-related corporate targets.</p> <p>‘Non-included explicitly’: The materiality analysis or the targets do not mention any SDGs</p> <p>‘No’: All the SDGs-related aspects identified as material are not translated into SDGs-related corporate targets.</p>
Consistency between SDGs-related corporate targets and SDGs-related key performance indicator	Each SDG-related corporate target is measured at least with one SDG-related key performance indicator?	<p>‘Yes’: All SDGs-related corporate targets are measured at least with one SDG-related key performance indicator.</p> <p>‘Partially’: Some SDGs-related corporate targets are measured at least with one SDG-related key performance indicator.</p> <p>‘Non-included explicitly’: The targets or the key performance indicators do not mention any SDGs.</p> <p>‘No’: All SDGs-related corporate targets are not measured at least with one SDG-related key performance indicator.</p>

Source: Own creation

Table 2: Strategic Consistency in SDGs Reporting
Table 2a. Using explicit information

Strategic Consistency Items	Hotel A	Hotel B	Hotel C	Hotel D	Hotel E
A strong commitment to SDGs at the highest decision-making level in the initial statement	~	P	X	~	P
Are the most significant SDGs for the business justified by the SDGs-related material aspects?	P	P	∅	∅	∅
Are the SDG-related material aspects translated into SDG-related corporate targets?	~ (Yes for 5 out of 16)	~ (Yes for 10 out of 11)	∅	∅	∅
Each SDG-related corporate target is measured at least with one SDG-related key performance indicator?	∅	∅	P	∅	∅

P Yes

~ Partially

∅ Non-identified explicitly some of the items

X No

Source: Own creation

Table 2b. Using implicit information

Strategic Consistency Items	Hotel A	Hotel B	Hotel C	Hotel D	Hotel E
Are the most significant SDGs for the business justified by the SDGs-related material aspects?	P	P	~ (Yes for 5 out of 7)	P	~ (Yes for 6 out of 7)
Are the SDG-related material aspects translated into SDG-related corporate targets?	~ (Yes for 5 out of 16)	~ (Yes for 10 out of 11)	~ (Yes for 5 out of 7)	~ (Yes for 3 out of 13)	~ (Yes for 9 out of 12)
Each SDG-related corporate target is measured at least with one SDG-related key performance indicator?	P	P	P	~ (Yes for 2 out of 5)	P

P Yes

~ Partially

X No

Source: Own creation

Table 3. Statistical analysis to test the strategic consistency in SDGs Reporting

Strategic Consistency Items	Hypothesis	Statistic D (using explicit information)	Statistic D (using explicit and implicit information)
Are the most significant SDGs for the business justified by the SDGs-related material aspects?	H ₁ : the results of the SDGs- related materiality analysis is from the same distribution, regardless of some aspects are associated to those SDGs significant for the business.	0: 0.00 1: -0.08 Com. K-S: 0.08	0: 0.36** 1: 0.00 Com. K-S: 0.36**
Are the SDG-related material aspects translated into SDG-related corporate targets?	H ₂ : the SDGs- related corporate targets are from the same distribution, regardless of whether some targets are associated to SDGs-related material aspects.	0: 0.43*** 1: 0.00 Com. K-S: 0.43***	0: 0.38** 1: 0.00 Com. K-S: 0.38**
Each SDG-related corporate target is measured with at least one SDG-related key performance indicator?	H ₃ : the SDGs-related key performance indicators are from the same distribution, regardless of whether some indicators are associated to SDGs-related corporate targets.	0: 0.14 1: 0.00 Com. K-S: 0.14	0: 0.48*** 1: 0.00 Com. K-S: 0.48***

The table shows the Kolmogorov-Smirnov test for equality of distribution functions. 85 Obs. *p<0.05; **p<0.01; ***p<0.001

Source: Own creation

Table 4: Correlation matrix of the strategic consistency items

Tabla 4a. Using explicit information

Indicator	Contribution	Materiality	Targets	KPIs
Contribution	1.0000			
Materiality	-0.0928	1.0000		
Targets	0.2303*	0.4622***	1.0000	
KPIs	0.6348***	-0.3536***	0.1596	1.0000

The table shows the Pearson's pair-wise correlation matrix.
85 Obs. *p<0.05; **p<0.01; ***p<0.001

Tabla 4b. Using explicit and implicit information

Indicator	Contribution	Materiality	Targets	KPIs
Contribution	1.0000			
Materiality	0.3857***	1.0000		
Targets	0.2722*	0.3623***	1.0000	
KPIs	0.5189***	0.5579***	0.5010***	1.0000

The table shows the Pearson's pair-wise correlation matrix.
85 Obs. *p<0.05; **p<0.01; ***p<0.001

Source: Own creation

