Impact of lifestyle-oriented motivation on small tourism enterprises’ social responsibility and performance

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\textbf{Abstract:} Lifestyle-oriented motivation (LOM) is the reason that the owners of many small enterprises start and operate businesses in the tourism industry. Using a sample of guesthouses in historic Chinese towns, this study examines how LOM affects these small businesses’ corporate social responsibility (CSR), performance, and owners’ intentions to sustain operations. Applying the structural equation modeling approach to a sample of 154 guesthouses, this study finds that LOM positively influences CSR, performance, and owners’ operational intentions. Specifically, LOM promotes each dimension of CSR activities (product, environment, community, employees, and heritage protection); however, it only increases firms’ subjective performance and has no significant influence on their objective performance. The mediating effects of CSR and performance on the path from LOM to owners’ operational intentions are also demonstrated. Lastly, the theoretical and managerial implications of the findings are discussed.

\textbf{Key words:} lifestyle; small tourism business; social responsibility; structural equation model; China

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Introduction

Lifestyle entrepreneurs are a growing phenomenon in many business sectors (Ateljevic and Doorne 2000; McGehee and Kim 2004; Ma and Xu 2016). Their pursuit of a particular lifestyle reflects a social and cultural change toward building self-images that symbolically communicate socio-political ideological positions (Sweeney, Hughes, and Lynch 2018). As early as 1989, Williams, Shawn, and Greenwood pointed out the value that small tourism business owners gave to lifestyle. Since then, more and more studies have found that lifestyle entrepreneurs are a key component of tourism small businesses and these lifestyle entrepreneurs are different from traditional business owners in that profits are not their sole aim (Dewhurst and Horobin 1998; Marchant and Mottiar 2011).

At the same time, the global call for sustainable development has led to a major paradigm shift: tourism enterprises are now expected to engage in socially responsible practices such as sustainability. Different business models, with multiple targets, are expected to replace the traditional profit-driven business model. An entrepreneur with lifestyle-oriented motivation (LOM) tends to place a greater value on lifestyle choices than on their firm’s profits (Marchant and Mottiar 2011).

In a small tourism firm, business decisions reflect the values, attitudes, and motivations of the owner because the owner is often the major or sole investor in the firm (Fassin, Rossem, and Buelens 2011; Hallak, Brown, and Lindsay 2012). The importance of the different operational motivation of small business owners for businesses’ socially responsible behaviors has been pointed out by Font, Garay, and Jones (2016), yet without empirical verification.

Additionally, in the CSR literature, although various factors such as firms’ organizational resources and skills, competitor strategy, enhanced goodwill, and cost reduction have been found to influence CSR behaviors (Coles, Fenclova, and Dinan 2013; Garay and Font 2013), no study has empirically examined the impacts of the operational motivation of small businesses’ owners on their CSR behaviors.

Based on the motivation theory of self-determination, which emphasizes the impact of an individual’s intrinsic motivation on his or her behaviors (Deci and Ryan 1985, 1991, 2000), this study explores whether and how lifestyle-oriented motivation impacts small tourism firms’ socially responsible behaviors and their business performance. The empirical findings are drawn from cases of small tourism firms in Chinese historic towns.

Overall, the study fills the gaps in the literature from following perspectives. First, since there has been limited research on lifestyle tourism entrepreneurs, this study explores the motivations of lifestyle entrepreneurs and how they carry out social responsibilities. Second, it also aims to answer whether the intrinsic motivation of lifestyle entrepreneurs can actually lead to CSR and therefore drive the paradigm shift toward sustainability. This focus is critical, because unlike other studies that have focused on external factors influencing CSR (e.g., Coles, Fenclova, and Dinan 2013; Garay and Font 2013), this study contributes to the literature by illustrating the importance of the intrinsic value of pursuing CSR.
Literature Review and Hypothesis Development

Lifestyle Motivation and Lifestyle Entrepreneurs in the Tourism Industry

In modern society, more and more people are attempting to achieve work-life balance. A balanced lifestyle has a significant value for many people (Twenge et al. 2010), who may be eager to escape from their busy and structured metropolitan lives (Sun and Xu 2017). Lifestyle entrepreneurs generally become entrepreneurs to obtain a certain quality of life while earning a living (Marchant and Mottiar 2011). Lifestyle-motivated entrepreneurs reflect a distinct mode of living in developed economies (Sweeney et al. 2018).

The tourism industry provides a superior environment for lifestyle entrepreneurs (Getz and Carlsen 2000; Ma and Xu 2016). Tourist destinations, especially nature-based destinations or towns of cultural or historical interest, tend to have favorable geographical locations and comfortable social and natural environments (Ma and Xu 2016) that match the requirements of lifestyle entrepreneurs (Font et al. 2016). Moreover, the entry threshold requirements, such as initial capital and technological demands, for tourism businesses such as guesthouses are relatively low (Getz and Carlsen 2000; Sweeney et al. 2018). Furthermore, small tourism firms can take advantage of surrounding natural attractions to decrease their operational pressure. As a result, lifestyle entrepreneurs are a dominant component of small tourism firms (Thomas et al. 2011; Bredvold and Skalen 2016).

Lifestyle-motivated tourism entrepreneurs value maintaining a certain quality of life over maximizing economic profits (Thomas et al. 2011). These non-economic motivations are reflected in their attitudes toward social, cultural, and environmental relationships (Ateljevic and Doorne 2000; Font et al. 2016). Specifically, these entrepreneurs value egalitarianism and harmony in a community, the localization and personalization of product supply, business reciprocity, and cooperation in the industry (Shaw and Williams 2004). They seek closer relationships with the natural environment and with opportunities to initiate inclusive community relationships that stress social worth rather than material wealth (Ateljevic and Doorne 2000).

LOM and its Direct Influence on Small Tourism Firms’ CSR Behaviors

Although motivation has been defined in diverse ways, it essentially refers to the causes of an individual’s engaging in a particular behavior (Hawkins, Mothersbaugh, and Best 2007). It is a state of need that drives individuals towards certain actions that are capable of satisfying those needs (Li and Cai 2012; Hallak, Assake and Lee 2015). Moreover, according to self-determination theory (SDT), an individual’s motivation is internal and does not come from an external, controlling agent (Deci and Ryan 1985, 1991, 2000; Osbaldiston and Sheldon 2003). Self-determined behavior is initiated by an individual’s internal motivation, and leads the individual to make decisions that suit his or her requirements (Deci and Ryan 1985). In contrast, non-internalized (extrinsic) motivation comes from external sources, and individuals with this type of motivation act because they expect an external reward or wish to avoid feelings of guilt (Osbaldiston and Sheldon 2003). SDT provides a theoretical foundation for understanding how the intrinsic motivation to achieve a particular lifestyle influences small firms’ operational decisions.

As one type of important decision undertaken by firms, CSR refers to “the ethical principle that an organization should be responsible for how its behavior might affect society and the environment” (Jobber and Ellis-Chadwick 2012, 143). For small tourism firms in historic towns, CSR is generally executed by taking responsibility for the community, employees, products, environment, and even heritage of the local area (Font et al. 2016; Wang, Bai, and Xu 2015). Both the balanced lifestyle concept and CSR behaviors are concerned with the
relationship between society and the environment, although the former stresses the expectation of obtaining this relationship and the latter emphasizes actions to maintain it. Thus, according to SDT, the intrinsic motivation of lifestyle may stimulate social and environment-related behaviors that will satisfy firm owners’ expectations of balance. In small businesses, decision-making usually reflects the owner’s personal motivations (Hallak et al. 2012; Sampaio et al. 2012). The relevance of LOM to the ideological concept of sustainability may encourage a firm’s responsible or ethical enterprise behaviors (Ateljevic and Doorne 2000; Font et al. 2016). Specifically, LOM acts on firms’ socially responsible behaviors from various perspectives.

First, lifestyle entrepreneurs’ emotional requirements for egalitarianism and harmony and their preference for business reciprocity and cooperation tend to promote responsible behaviors in small tourism firms. Lifestyle entrepreneurs escape metropolitan cities to live in communities in which they know their neighbors and can establish long-term relationships. They also want to work and live in the same place and avoid the separation of home and work. A home-based business helps them to obtain work-life balance while maintaining a certain amount of control of their lives. According to SDT, these intrinsic emotional requirements of lifestyle motivation determine how they behave as business owners and guide their individual and business behaviors. Researchers have also found that lifestyle entrepreneurs tend to cooperate with other businesses and to spend more time building social relationships with other small businesses in the community (Jenkins 2006; Xu, Ma, and Jiang 2017). Meanwhile, the majority of employees in small tourism firms are local and the relationships between employers and employees are quite flexible; in many cases, the employer and employees are considered a big family (Xu and Tang 2015). Therefore, it can be hypothesized that LOM may have a positive influence on small tourism firms’ community- and employee-related socially responsible behaviors.

Second, lifestyle entrepreneurs’ tendency to align their businesses with their interests promotes responsible behavior toward customers and reduces their interest in mass tourism products (Ateljevic and Doorne 2000; Shaw 2003; Xu et al. 2017). They tend to express their lifestyle through their businesses; for example, they may have personalized designs of the business environment or be heavily involved in the delivery of services to customers (Sweeney et al. 2018). They communicate with their customers and serve as cultural brokers for the locals (Ma and Xu 2016). By communicating and engaging with customers, they also obtain emotional rewards for themselves (Marcketti, Niehm, and Fuloria 2006). Thus, it can be hypothesized that LOM helps small tourism firms to execute their product/customer-related social responsibility.

Third, lifestyle tourism entrepreneurs are generally “seeking closer relationships within a natural environment, together with opportunities to be involved in and initiate inclusive community relationships…” (Ateljevic and Doorne 2000, 386). They select tourism destinations as their place of work because of these locations’ favorable natural environment (Sun and Xu 2017). According to SDT, LOM drives the behaviors of lifestyle tourism entrepreneurs. It is very likely that their firms will engage in environmentally responsible actions. For many tourism destinations, the natural or cultural heritage is an especially important part of the environment. It has been observed that lifestyle tourism entrepreneurs tend to value historic buildings and make efforts to restore and use them in an innovative way (Ma and Xu 2016).

In previous literature, Gary and Font (2013) found that LOM had different levels of influence on firms’ CSR conduct in different regions, and Font et al. (2016) noticed that lifestyle- and value-driven firms reported a wider range of CSR activities than their business- or legitimization-driven counterparts. However, the relationship between LOM and CSR has
still not been empirically tested. Therefore, this study proposes the following hypotheses.

**H1: LOM may influence a small tourism firm’s CSR behaviors positively.**

**H1a: LOM may influence a small tourism firm’s product-related CSR behaviors positively.**

**H1b: LOM may influence a small tourism firm’s employee-related CSR behaviors positively.**

**H1c: LOM may influence a small tourism firm’s environment-related CSR behaviors positively.**

**H1d: LOM may influence a small tourism firm’s community-related CSR behaviors positively.**

**H1e: LOM may influence a small tourism firm’s heritage-related CSR behaviors positively.**

**LOM and its Direct Effects on Small Tourism Firms’ Performance and their Intention to Sustain Operations**

The ultimate intention of lifestyle entrepreneurs is to improve and sustain their quality of life. To date, although the influence of entrepreneurs’ motivation on their firms’ financial results has been explored by some researchers (Alcantara and Kshetri 2014), few studies have examined LOM and its consequences. One study reported that women pursuing a better work-life balance were less likely to succeed (Rey-Matti, Tur Porcar, and Mas-Tur 2015); however, no further relationship was identified between work-life balance preferences and a firm’s performance. As a key motivation for setting up a small tourism business, LOM may have a significant impact on their performance, but it is important to evaluate the performance according to the small business owners’ own intentions (Carlsen, Morrison, and Weber 2008). The evaluation of small tourism firms driven by LOM should consider whether entrepreneurs’ expectations have been achieved and whether they have the financial resources to survive (Thomas et al. 2011). Financial or market performance is fundamental to firms’ survival; however, firm owners may be more focused on continuing their chosen lifestyle than on financial performance (Ateljevic and Doorne 2000). They make decisions about their firms’ operations based on subjective criteria rather than on objective economic facts (Dewhurst and Horobin 1998; McGehee and Kline 2008). Thus, subjective measures such as personal satisfaction or expectations are likely to be more appropriate for evaluating success (Kropp, Lindsay, and Shoham 2006). In the context of small tourism firm owners with LOM, the subjective performance is more important than objective financial performance. Therefore, the following hypotheses are proposed.

**H2: LOM may influence the overall performance of a small tourism firm positively.**

**H2a: LOM may influence the subjective performance of a small tourism firm positively.**

**H2b: LOM may influence the objective performance of a small tourism firm insignificantly.**

Even when driven by LOM, owners of small tourism firms intend to sustain business operations. The intention to operate in the future is consistent with the lifestyle motivation. A few studies have demonstrated the association between motivation and personal intentions from the perspective of tourist motivation and travel intentions (Jiang et al. 2009; Huang and Hsu 2009), but no studies have examined how LOM influences owners’ intentions to sustain business operations in small tourism firms. Personal intention is defined as an anticipated behavior in the future (Oliver and Swan 1989). It links an individual to a particular form of behavior in a given environment (Fishbein and Ajzen 1975). According to Ajzen (1991), intention is a gauge of the motivational factors that influence behaviors and indicates the likelihood of people engaging in a particular behavior in the future. Therefore, motivation is related to an individual’s behavioral intentions. For small tourism firms, the owner’s intention
to sustain business operations emphasizes their intent to survive and to operate in the future. This operational intention leads to certain behaviors and converts motivation into conduct (Jiang et al. 2009). Therefore, the following hypothesis proposes a relationship between LOM and a small tourism firm’s conduct.

**H3: LOM has a positive influence on the intention of small tourism firm owners to sustain business operations.**

**Mediating Effect of CSR and Small Tourism Firms’ Performance**

In contrast to the considerable literature on the effects of CSR on the performance of large enterprises (Inoue and Lee 2011), research on the effects of CSR on the performance of small businesses, especially in the area of tourism, is sparse. However, small tourism businesses frequently and willingly engage in various kinds of social, ethical, and environmental activities (Garay and Font 2012; Font et al. 2014). According to the resource-based view, the implementation of CSR could improve these firms’ competitive strength (Branco and Rodrigues 2006) and generate diverse benefits, such as increasing firms’ reputation and building their relationships with stakeholders within the community (Garay and Font 2013). Finally, the positive consequences of CSR behaviors could go beyond financial performance; for example, these activities boost owners’ confidence and personal intentions regarding firms’ operations, foster innovation, and strengthen links with communities (Coles et al. 2013).

Previous studies have demonstrated the positive influence of CSR on performance in tourism and other industries, but have focused on specific dimensions of CSR, such as the environmental and social dimensions. The results have varied across studies. For example, Stewart and Gapp (2014) found that social and environmental involvement had positive consequences for small enterprises’ business performance; similar results were observed by Wang et al. (2015) for Chinese small tourism firms. Alonso-Almeida et al. (2018) concluded that social management practices could simultaneously improve the financial and market performance of small tourism firms, environmental practices could improve only the financial performance, and quality management practices destroyed financial performance. In addition, Garay and Font (2012) used a correlation analysis of small and medium accommodation enterprises to prove that implementing energy- and/or water-saving practices could improve corporate financial performance and satisfaction with such performance, whereas environmental and social impact assessments alone only improved financial performance satisfaction and paying fair wages only improved financial performance. In addition, a few studies have focused on particular dimensions of CSR, mostly with regard to communities and the environment, and have found varying outcomes for CSR conduct (Hallak, Brown, and Lindsay 2013).

Overall, little is known about the influence of CSR on the performance of small enterprises, especially small tourism businesses. To clarify the proposed direct influence of LOM on both CSR and performance (H1 and H2), tests are first carried out on the relationships between CSR and performance, as CSR may have a mediating effect on the relationship between LOM and performance. Using the lifestyle-based definition of small tourism firms’ performance (McGehee and Kline 2008; Thomas et al. 2011) and the related dimensions of CSR (Font et al. 2016; Wang et al. 2015), Hypotheses 4 and 4a are specified as follows.

**H4: CSR significantly mediates the relationship between LOM and the performance of a small tourism firm.**

**H4a: Individual dimensions of CSR, including product, employee, environment, community, and heritage, significantly influence the objective and subjective performance of a small tourism firm.**
In addition, a small tourism firm’s subjective and objective performance can affect an owner’s future business operation intentions (Huang and Tsu 2009). The owners of such firms will determine their overall utility based on the trade-off between income/growth (objective performance) and life-quality (subjective performance) goals (Dewhurst and Horobin 1998). Objective financial performance is essential for a firm’s survival, but for owners of small tourism firms with LOM the fulfillment of non-economic targets such as work-life balance enhances their business satisfaction, and thus improves their personal happiness, perceptions of overall health, and life quality (Marcketti et al. 2006), providing them with positive feedback (Dewhurst and Horobin 1998). This drives their intentions to sustain their operations in the future (Marcketti et al. 2006). However, they may close their businesses if the business fails to fulfill their lifestyle motivations and decrease feedback utility. Therefore, performance, especially subjective performance, may be a determining factor in an owner’s intentions to continue to operate the business. Extending the examination of the direct influences of LOM on both firm performance and owner’s intention to sustain operations (Hypothesis 2 and 3), we arrive at the following hypotheses.

**H5:** Performance significantly mediates the relationship path from LOM to the intention to sustain the operation of a small tourism firm.

**H5a:** Objective performance significantly mediates the relationship path from LOM to the intention to sustain the operation of a small tourism firm.

**H5b:** Subjective performance significantly mediates the relationship path from LOM to the intention to sustain the operation of a small tourism firm.

Based on the above literature review and discussion, we build a framework of the relationships between LOM, CSR conduct, business performance, and intention to sustain operations in a small tourism firm context (Figure 1).

**Fig. 1. Conceptual framework for the impact of LOM**
Methodology

Field Areas and Business Sector

This study was conducted in the southwestern region of China, where some well-known historic towns are located. Dali and Yangshuo were selected because they were the pioneer tourist destinations for individual international travelers in China. Both towns have been tourist destinations since the 1980s, when China’s tourism industry began to grow. Their sophisticated and leisurely living environments, characterized by beautiful scenery and heritage culture, have made them famous among Chinese tourists, and many people have moved to these towns to start tourism businesses (Ma and Xu 2016). The small tourism firms in these towns are quite different from traditional firms, as their owners’ primary motivation is to pursue a certain lifestyle instead of just profits or growth (Ma and Xu 2016). They are also different from large firms, because small tourism firms’ owners are in charge of most managerial and frontline operations (Hernandez-Maestro, Munoz-Gallego, and Santos-Requejo 2009). The concentration of small tourism firms with LOM has contributed to the uniqueness of these two historic towns. Over the past several years, our research team has been working in Dali and Yangshuo and has accumulated extensive knowledge of the small businesses in these towns.

Tourism is an industry with diversified business sectors. In Dali and Yangshuo, most lifestyle owners tend to start their tourism business by opening guesthouses (Wang et al. 2015). The guesthouses examined in this study are individual- or family-owned and managed. They are operated out of family houses that are owned or rented by the firm owners. The guesthouses are often small, with a few exceptions. The distinctive characteristic of guesthouses is their informality and flexible employer-employee relationships. Most employees are from the local community and have no formal contracts with the firm. These guesthouses have an average of four to five employees, which puts them in the category of small or even micro firms proposed by Spence (1999, 69). These guesthouses not only make up a relatively large share of the local accommodation market, they also have broad stakeholders. Their involvement in providing lodging, food, beverages, and tourist guides give them extensive contacts with tourists (Wang et al. 2015). They also have close relationships with local communities, which supply operational materials and human resources (Hallak et al. 2013), and their business operations generally rely on the local natural environment and heritage attractions. Therefore, guesthouses are suitable representatives of small tourism firms for this study. Focusing on a single type of tourism business (i.e., guesthouses) can also help to avoid the problem of the diversity and complexity of CSR practices across different sectors and thus improve the accuracy of the results (Cloes et al. 2013; Gary and Font 2013).

Questionnaire Development

Before this study, our project team had conducted a series of qualitative research projects on lifestyle entrepreneurs and small tourism businesses in historic towns, and had developed a preliminary understanding of lifestyle intentions, daily operational behaviors, community relationships, and products and services. Based on this work and a literature review, we developed a questionnaire. The main part of the questionnaire consisted of three sections, covering three areas: (1) LOM, (2) CSR, and (3) firm performance and the owner’s operational intention. CSR items were divided into five dimensions (product, environment, community, employees, and heritage), in accordance with the recent literature (Inoue and Lee 2011; Wang, et al. 2015; Font et al. 2016) and with fieldwork in the historic towns of this study (see Table 1).

The first part of the questionnaire investigated the LOM of small tourism firms. It was adapted from Getz and Calsen (2000), who identified the characteristics of small businesses’
lifestyle motivation using principal component analysis. The three LOM items were measured by Likert scales that ranged from 1 = “Very Much Disagree” to 7 = “Very Much Agree.”

For the CSR construct, the product dimension was measured in terms of quality, price, innovativeness, and local unique features. The items were adopted from Inoue and Lee (2011) except for one, “The product or service fits the unique flavor of the local area,” which derived from this study’s fieldwork. The employee dimension also had five measurement items, which were adopted from Zhang (2010) and Clarkson (1995). Tourism firms’ environmental responsibility has been investigated in many studies of energy-saving, recycling, and environmental awareness education (Inoue and Lee 2011). Drawing on previous studies (Erdogan and Tosun 2009; Gary and Font 2013) and the environmental practices of local firms, five items were selected related to energy- or water-saving, recycling, and promoting environmental awareness. The community dimension has also received much attention, because of the close relationship between small tourism firms and local communities (Page, Forer, and Lawton 1999). These firms connect with their communities through socially responsible activities such as “buying” materials or goods locally.” “Support[ing] and attend[ing] important local social festival events,” and “Promot[ing] community development” (Besser and Miller 2001; Garay and Font 2013). The item concerning connecting the small business and community through hiring local employees was adopted from Jenkins (2006). The other two items about cooperating to maintain public security and complying with business ethics were formed based on the fieldwork. Two of the five heritage dimension items (“Learn the value of local heritage (e.g., old architecture, local specific culture and customs)” and “Introduce heritage to customers to promote heritage protection actively”) are related to awareness and support for heritage protection, and were adopted from our previous fieldwork. The other three were adopted from Erdogan and Tosun (2009). All of these CSR items were measured on seven-point Likert scales (1 = “Very Much Disagree” to 7 = “Very Much Agree”).

The lifestyle-oriented small tourism firms’ performance indicators were mainly adopted from previous studies (Kropp et al. 2006). The first objective, financial and market performance, was adopted from Kropp et al. (2006). The items were measured with ranges due to the difficulty in getting hard financial data from small tourism firms and included “Before-tax profits,” “Return on investment (ROI),” and “Percentage of repeat business” as market performance measurements. Due to their specific nature, these destinations often attract repeat customers, especially from neighboring areas. Based on feedback from the pilot test, the scale used to measure before-tax profits was “1 = less than 8,200 USD” (using the currency rate of 6.0969 RMB/USD on 1 January 2014) to “5 = over 32,800 USD” for each 16,401 USD; for ROI, the scale was from “1 = less than 5 percent” to “7 = over 30 percent for each 5 percent”; and for repeat business, the scale was from “1 = less than 30 percent” to “7 = over 80 percent” for each 10 percent. Two subjective performance items, drawn from Walker and Brown (2004) and Kropp et al. (2006), were used to gauge the entrepreneurs’ personal “satisfaction” with the lifestyle derived from their businesses. The responses to these subjective items were measured on a 7-point Likert scale ranging from 1 = “Never” to 7 = “Totally Satisfactory.” In addition, since the main risk for small businesses is failure to survive (Jenkins 2004, 2006), “Intend to operate the business for a long time” was used to capture the operational intentions of small tourism firms’ owners. It was measured on a 7-point scale ranging from 1= “Not at all” to 7= “Strongest Intention.”

Other information about firm size was also included in the questionnaire due to the possible influence of size on firms’ financial performance. This was measured by two indicators: “Number of employees” and “Number of beds.” In addition, “Initial investment” was used to reflect the capital strength of small tourism firms. It was measured by a 5-point scale ranging
from $1 = \text{less than about 16,400 USD}$ to $5 = \text{over about 65,607 USD}$. The number of years in operation was also included. These items were standardized before the analysis.

**Pilot Test and Data Collection**

After the questionnaire was developed, a few tourism academics were invited to assess the content validity of the items. A further pilot test with 10 small tourism firms in Dali was carried out to obtain feedback on the wording and overall design of the survey instrument (Hallak, et al. 2015). Based on this feedback, the research team reworded some items about the environmental dimension and added a few items in the community and heritage dimensions. Following previous studies (Chang, Witteloostuijn, and Eden 2010), the research team applied multiple strategies during the questionnaire design, interviews, and statistical tests to minimize the problem of social desirability bias.

The formal fieldwork was carried out in Dali from 25 July to 15 August, 2013 and in Yangshuo from 9 January to 10 February, 2014. The original sample population included all of the guesthouses in Dali and Yangshuo that had no more than five employees. About 300 guesthouses met this criterion, and most of them were clustered in the popular tourism areas covered by the fieldwork. The owners of these guesthouses were approached and invited to participate in the survey. Upon their agreement, they were asked to complete the anonymous questionnaire. Of the 154 usable questionnaires returned, 47 were from Dali and 107 were from in Yangshuo, representing over half of the population, which is deemed a satisfactory representation (Hallak, et al. 2012).

Of the 154 participants, 71% were Han entrepreneurs and 29% were ethnic minority entrepreneurs; 49% were male and 51% were female (4 questionnaires without gender data were not included). The largest age group was from 21 to 30 years old (45%). The other age groups were under 20 (3%), 31-40 (34%), 41-50 (16%), 51-60 (2%), and older than 60 (1%). Most of the owners were well educated (“College degree”=25% and “Bachelor degree or above”=31%), and the others listed “Junior school or lower”=13%, and “High school”=31%. Regarding places of origin, 40% of the owners came from other provinces, 18% were from the same province but from outside the two towns, and 43% were local residents.

**Data Analysis**

To jointly test the proposed hypotheses, the structural equation modeling approach was applied using the partial least squares (PLS) estimation method. Compared to the traditional covariance-based maximum likelihood estimation method, PLS has the advantage of not imposing distributional assumptions on the data. It is also robust in handling small samples and can accommodate both reflective and formative constructs (Fornell, Johnson, and Anderson 1996; Goodhue, Lewis, and Thompson 2006; do Valle and Assaker 2016). Therefore, the PLS method was suitable for this study.

As discussed above, CSR and performance both have multiple dimensions and can be regarded as second-order hierarchical latent variables. To assess the proposed relationships of both the focal constructs (i.e., the second-order latent variables) and the sub-dimensions of these constructs (i.e., the first-order latent variables), a hierarchical latent variable structural equation model was specified, and a two-stage estimation strategy for second-order hierarchical latent variable model estimation was used (Becker, Klein, and Wetzels 2012; Ringle et al. 2012; Wetzels et al. 2009). Following the two-stage approach, the construct scores of the first-order latent variables (i.e., sub-dimensions of the focal constructs) were obtained via PLS estimation in the first stage without involving the second-order constructs in the model;
in the second stage, these first-order construct scores were used as indicators for the higher-order focal construct, and therefore the lower-order latent construct did not appear in this stage (Becker et al. 2012; Wetzels et al. 2009). Figures 2 and 3 present the two models in the first and second stages, respectively. The advantage of the two-stage approach in the estimation of a hierarchical latent variable model is that it avoids estimating complicated models in either stage, which is particularly effective for small samples. In addition, the two-stage structural equation models enable researchers to test for the relationships between hierarchical latent constructs at both levels (i.e., in the overall construct and sub-dimensions). As a result, further insights can be obtained into the relative importance and significance of the effects of individual sub-dimensions.

In this study, both the formative and reflective measures of constructs were used, depending on the relationships between the latent constructs and their indicators. Performance was measured as a formative construct at the higher order, being formed by the respective dimensions, whereas in the first order each dimension it was measured as a reflective construct. CSR and its dimensions, LOM, and the control variables of performance (number of employees, number of beds, initial investment, and years of operation) were measured as formative constructs.
Empirical results

Descriptive Statistics

The mean scores of all 35 items are displayed in Table 1. They range from 2.689 to 6.675. The scores of the items measuring LOM are relatively high. The highest, “Lifestyle preference,” is 5.487, indicating that many firms’ owners start their businesses because they are attracted to local lifestyles. This result is evidence that lifestyle firms are indeed prevalent in the tourism industry (Thomas et al. 2011).

Most of the scores of the CSR items are greater than 5, indicating that small tourism firms in historic towns actively execute their social responsibilities toward customers, employees, the environment, the community, and local heritage. The scores for the items “Try to buy materials or goods locally” (3.506) and “Similar products or services are rare in the local area” (3.136) are relatively low compared to other CSR items. The low score of the former may be related to the practices of the firms themselves, and the low score for the latter may indicate that some necessary materials or goods cannot be found locally and must be bought from outside, limiting product innovation (Hallak et al. 2013).

The mean scores for the objective performance items are lower than for any other category except for the competitive factors in the market. However, the scores for both subjective performance and the intention to sustain business operations are high. These statistics are consistent with the argument for the prevalence of lifestyle motivation, but more statistical evidence is needed.
### Table 1. Measurement Scales: Sources and Descriptive Statistics

<table>
<thead>
<tr>
<th>Construct</th>
<th>Items</th>
<th>Source</th>
<th>N</th>
<th>Mean</th>
<th>Std. Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>LOM</strong></td>
<td>Pursing work-life balance</td>
<td>Getz and Calsen (2000)</td>
<td>154</td>
<td>5.019</td>
<td>1.502</td>
</tr>
<tr>
<td></td>
<td>Attracted by local atmosphere and lifestyle</td>
<td></td>
<td>154</td>
<td>5.487</td>
<td>1.548</td>
</tr>
<tr>
<td></td>
<td>Driven by local friends sharing the same values and interests</td>
<td></td>
<td>153</td>
<td>4.305</td>
<td>1.902</td>
</tr>
<tr>
<td><strong>CSR-product</strong></td>
<td>Products or services of firm are high quality, healthy, and safe</td>
<td>Inoue and Lee (2011)</td>
<td>152</td>
<td>6.364</td>
<td>0.867</td>
</tr>
<tr>
<td></td>
<td>Price of product or service is reasonable</td>
<td></td>
<td>151</td>
<td>6.247</td>
<td>0.991</td>
</tr>
<tr>
<td></td>
<td>Try to promote innovative products or services</td>
<td></td>
<td>154</td>
<td>5.019</td>
<td>1.480</td>
</tr>
<tr>
<td></td>
<td>Similar products or services are rare in the local area</td>
<td></td>
<td>154</td>
<td>3.136</td>
<td>1.649</td>
</tr>
<tr>
<td></td>
<td>Product or service fits the unique flavor of the local area</td>
<td>Fieldwork</td>
<td>153</td>
<td>5.695</td>
<td>1.323</td>
</tr>
<tr>
<td><strong>CSR</strong></td>
<td>Pay employee salaries on time</td>
<td>Clarkson (1995); Zhang (2010)</td>
<td>154</td>
<td>6.675</td>
<td>1.003</td>
</tr>
<tr>
<td>-employee</td>
<td>Pay reasonable salaries to employees</td>
<td></td>
<td>152</td>
<td>6.597</td>
<td>1.742</td>
</tr>
<tr>
<td></td>
<td>Construct good relationships with employees</td>
<td></td>
<td>154</td>
<td>5.461</td>
<td>1.589</td>
</tr>
<tr>
<td></td>
<td>Arrange flexible work for employees</td>
<td></td>
<td>151</td>
<td>5.513</td>
<td>1.399</td>
</tr>
<tr>
<td></td>
<td>Pay attention to the situation of employees</td>
<td></td>
<td>146</td>
<td>5.740</td>
<td>1.049</td>
</tr>
<tr>
<td><strong>CSR-environment</strong></td>
<td>Use cleaner energy</td>
<td>Erdogan and Tosun (2009); Garay and Font (2013)</td>
<td>154</td>
<td>6.032</td>
<td>1.280</td>
</tr>
<tr>
<td></td>
<td>Use energy-saving lights/lamps</td>
<td></td>
<td>152</td>
<td>6.292</td>
<td>0.852</td>
</tr>
<tr>
<td></td>
<td>Recycle materials and resources</td>
<td></td>
<td>152</td>
<td>5.494</td>
<td>1.618</td>
</tr>
<tr>
<td></td>
<td>Use water-saving facilities</td>
<td></td>
<td>154</td>
<td>6.331</td>
<td>0.957</td>
</tr>
<tr>
<td></td>
<td>Introduce customers to environmental knowledge</td>
<td></td>
<td>154</td>
<td>5.935</td>
<td>1.071</td>
</tr>
<tr>
<td><strong>CSR-community</strong></td>
<td>Try to buy materials or goods locally</td>
<td>Besser and Miller (2001); Garay and Font (2013)</td>
<td>154</td>
<td>3.506</td>
<td>1.614</td>
</tr>
<tr>
<td></td>
<td>Support and attend important local social festival events</td>
<td></td>
<td>154</td>
<td>5.623</td>
<td>1.210</td>
</tr>
<tr>
<td></td>
<td>Promote community development</td>
<td>Jenkins (2006)</td>
<td>153</td>
<td>5.591</td>
<td>1.224</td>
</tr>
<tr>
<td></td>
<td>Hire employees from the community</td>
<td></td>
<td>154</td>
<td>5.403</td>
<td>1.350</td>
</tr>
<tr>
<td></td>
<td>Cooperate with the community to maintain public security</td>
<td>Fieldwork</td>
<td>154</td>
<td>6.240</td>
<td>0.984</td>
</tr>
<tr>
<td></td>
<td>Comply with business ethics</td>
<td></td>
<td>153</td>
<td>6.545</td>
<td>0.739</td>
</tr>
<tr>
<td><strong>CSR-heritage</strong></td>
<td>Use local materials during construction</td>
<td>Erdogan and Tosun (2009)</td>
<td>154</td>
<td>5.312</td>
<td>1.480</td>
</tr>
<tr>
<td></td>
<td>Try to keep the original architecture in firm’s decorations</td>
<td></td>
<td>154</td>
<td>6.429</td>
<td>0.949</td>
</tr>
<tr>
<td></td>
<td>Know and obey the rules of heritage protection</td>
<td></td>
<td>154</td>
<td>6.279</td>
<td>0.953</td>
</tr>
<tr>
<td></td>
<td>Learn the value of local heritage</td>
<td>Fieldwork</td>
<td>154</td>
<td>6.234</td>
<td>0.975</td>
</tr>
<tr>
<td></td>
<td>Introduce heritage to customers to promote heritage protection</td>
<td></td>
<td>153</td>
<td>5.896</td>
<td>1.134</td>
</tr>
<tr>
<td><strong>Objective performance</strong></td>
<td>Before-tax profits</td>
<td>Kropp et al. (2006)</td>
<td>144</td>
<td>3.225</td>
<td>1.354</td>
</tr>
<tr>
<td></td>
<td>Return on investment (ROI)</td>
<td></td>
<td>126</td>
<td>3.720</td>
<td>1.908</td>
</tr>
<tr>
<td></td>
<td>Percentage of repeat business</td>
<td></td>
<td>139</td>
<td>2.689</td>
<td>1.745</td>
</tr>
<tr>
<td><strong>Subjective performance</strong></td>
<td>Meet the expectations of the business</td>
<td>Walker and Brown's (2004); Kropp et al. (2006)</td>
<td>145</td>
<td>4.719</td>
<td>1.299</td>
</tr>
<tr>
<td></td>
<td>Degree of satisfaction with the current work</td>
<td></td>
<td>146</td>
<td>5.085</td>
<td>1.244</td>
</tr>
<tr>
<td></td>
<td>Intention to operate the business for a long time</td>
<td>Jenkins (2004, 2006)</td>
<td>146</td>
<td>5.425</td>
<td>1.312</td>
</tr>
</tbody>
</table>

Note: Parts of items marked (*) were simplified.

**Model Testing**

Based on the two-stage model estimation approach, two structural equation models are estimated. The quality of the estimated models is assessed based on a few indicators, most of which are only available for and relevant to the reflective measurements.

First, the validity of the scales is assessed. The average variance extracted (AVE) is used to evaluate the convergent validity of the reflective constructs (i.e., the objective and subjective performance). The AVEs are 0.53 and 0.77, above the critical value of 0.5 recommended by Fornell (1992) and Fornell and Larcker (1981). For discriminant validity, the heterotrait-monotrait ratio (HTMT) is regarded as a robust measure. The HTMT values for all of the
reflective constructs vary between 0.26 and 0.66, lower than the threshold 0.90 suggested by Gold, Malhotra, and Segars (2001) and Teo, Srivastava, and Jiang (2008). With respect to internal consistency reliability, Hair et al. (2014) noted that the Cronbach’s Alpha tends to be underestimated in a PLS model, and they suggested that composite reliability (CR) values should be used instead. The calculated CR values in this study are 0.76 and 0.87 for the two reflective constructs, both above the threshold of 0.7, suggesting that each reflective dimension and its respective indicators are highly correlated. With respect to the overall model fit, the standardized root mean square residual (SRMR) can be used as a criterion. The SRMR values are 0.08 and 0.07 for the first-stage and second-stage models, respectively. As both are lower than the threshold of 0.10 (Hair et al. 2014), both models have a satisfactory fit.

**Estimated Relationships**

The bootstrapping method is used to estimate the significance of the estimated path coefficients. Tables 2 and 3 report the results of both models for the first and second stages, respectively. These findings give empirical support to some of the hypotheses and offer some interesting insights into the influence of LOM.

As Table 2 shows, the path relationships between LOM and all of the individual dimensions of CSR are all significant and positive, at least at the 1% significance level. Among these, the relationship between LOM and CSR-product is the strongest (0.47, p<0.01), followed by the relationship between LOM and CSR-community (0.44, p<0.01), supporting Hypotheses 1a to 1e. However, not all of the dimensions of CSR significantly affect performance. CSR-environment affects objective performance and CSR-community contributes to subjective performance, both at the 5% significance level, but the other dimensions have insignificant effects on subjective or objective performance. These findings are consistent with the findings in Alonso-Almeida et al. (2018), Garay and Font (2012), Stewart and Gapp (2014) and Wang et al. (2015), and support Hypothesis 4a.

Taking both the direct and indirect effects into account, the finding of an insignificant influence of LOM on objective performance support Hypothesis 2b, and is somewhat consistent with the argument in Rey-Matti et al. (2015). Overall, LOM has a significant impact on subjective performance (0.23, p<0.01 for direct effect; 0.35, p<0.01 for total effect) and operational intentions (0.17, p<0.01 for direct effect; 0.32, p<0.01 for total effect), and these results support Hypotheses 2a and 3. In addition, both objective performance (0.30, p<0.01) and subjective performance (0.46, p<0.01) significantly affect firm owners’ intentions to sustain operations. These results support Hypotheses 5a and 5b, which propose the mediating effect of subjective or objective performance on the relationship between LOM and sustainable operational intentions.

The results of the second stage of the model estimation, shown in Table 3 and Figure 4, show that all of the proposed path relationships between the key second-order latent constructs are statistically significant at least at the 10% level. As far as the total effects are concerned, overall, LOM significantly affects CSR, performance, and future intentions to sustain operations (at the 1% significance level). These results support Hypotheses 1 to 3, and confirm the findings of previous studies. For example, the positive influence of LOM on firms’ CSR conduct not only provides evidence for the possible contributions of LOM to market and environmental improvements (Ateljevic and Doorne 2000), it also supports the argument that entrepreneurs’ lifestyle motivation influences a firm’s CSR conduct (Gary and Font 2013; Murillo and Lozano 2006). Lastly, the effects of CSR on firms’ performance and firms’ performance on the owners’ future operational intentions are significantly positive, supporting Hypotheses 4 and 5.
Table 2. Estimated Path Relationships and Total Effects in the First-order SEM

<table>
<thead>
<tr>
<th>Direct and total effects</th>
<th>Path coefficient</th>
<th>Results of hypothesis testing</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Direct effect (path coefficient)</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>LOM -&gt; CSR-product</td>
<td>0.47***</td>
<td>H1a Supported</td>
</tr>
<tr>
<td>LOM -&gt; CSR-employee</td>
<td>0.26***</td>
<td>H1b Supported</td>
</tr>
<tr>
<td>LOM -&gt; CSR-environment</td>
<td>0.29***</td>
<td>H1c Supported</td>
</tr>
<tr>
<td>LOM -&gt; CSR-community</td>
<td>0.44***</td>
<td>H1d Supported</td>
</tr>
<tr>
<td>LOM -&gt; CSR-heritage</td>
<td>0.33***</td>
<td>H1e Supported</td>
</tr>
<tr>
<td>LOM -&gt; Objective performance</td>
<td>-0.10</td>
<td></td>
</tr>
<tr>
<td>LOM -&gt; Subjective performance</td>
<td>0.23***</td>
<td>H2a Supported</td>
</tr>
<tr>
<td>LOM -&gt; Operational intention</td>
<td>0.17***</td>
<td></td>
</tr>
<tr>
<td>CSR-product -&gt; Objective performance</td>
<td>0.04</td>
<td></td>
</tr>
<tr>
<td>CSR-product -&gt; Subjective performance</td>
<td>0.04</td>
<td></td>
</tr>
<tr>
<td>CSR-employee -&gt; Objective performance</td>
<td>-0.06</td>
<td></td>
</tr>
<tr>
<td>CSR-employee -&gt; Subjective performance</td>
<td>0.07</td>
<td></td>
</tr>
<tr>
<td>CSR-environment -&gt; Objective performance</td>
<td>0.21**</td>
<td></td>
</tr>
<tr>
<td>CSR-environment -&gt; Subjective performance</td>
<td>-0.10</td>
<td>H4a Supported</td>
</tr>
<tr>
<td>CSR-heritage -&gt; Objective performance</td>
<td>-0.04</td>
<td></td>
</tr>
<tr>
<td>CSR-heritage -&gt; Subjective performance</td>
<td>-0.10</td>
<td></td>
</tr>
<tr>
<td>CSR-community -&gt; Objective performance</td>
<td>0.04</td>
<td></td>
</tr>
<tr>
<td>CSR-community -&gt; Subjective performance</td>
<td>0.19**</td>
<td></td>
</tr>
<tr>
<td>Control -&gt; Objective performance</td>
<td>0.35***</td>
<td>Not involved</td>
</tr>
<tr>
<td>Objective performance -&gt; Operational intention</td>
<td>0.30***</td>
<td>H5a Supported</td>
</tr>
<tr>
<td>Subjective performance -&gt; Operational intention</td>
<td>0.46***</td>
<td>H5a Supported</td>
</tr>
<tr>
<td><strong>Total effect</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>LOM -&gt; Objective performance</td>
<td>-0.03</td>
<td>H2b Supported</td>
</tr>
<tr>
<td>LOM -&gt; Subjective performance</td>
<td>0.35***</td>
<td>H2a Supported</td>
</tr>
<tr>
<td>LOM -&gt; Operational intention</td>
<td>0.32***</td>
<td>H3 Supported</td>
</tr>
<tr>
<td>Control -&gt; Operational intention</td>
<td>0.11***</td>
<td>Not involved</td>
</tr>
</tbody>
</table>

Note: * = significant at the 10% level; ** = significant at the 5% level; *** = significant at the 1% level. Two-tailed tests are applied.
Table 3: Direct and Total Effects of the Path Relationships in the Second-stage Model

<table>
<thead>
<tr>
<th>Relationship</th>
<th>Direct effect</th>
<th>Total effect</th>
<th>Results of hypothesis testing</th>
</tr>
</thead>
<tbody>
<tr>
<td>LOM -&gt; CSR</td>
<td>0.55***</td>
<td>0.51***</td>
<td>H1 Supported</td>
</tr>
<tr>
<td>LOM -&gt; Performance</td>
<td>0.15*</td>
<td>0.29***</td>
<td>H2 Supported</td>
</tr>
<tr>
<td>LOM -&gt; Operational intention</td>
<td>0.16**</td>
<td>0.33***</td>
<td>H3 Supported</td>
</tr>
<tr>
<td>CSR -&gt; Performance</td>
<td>0.25***</td>
<td>0.25**</td>
<td>H4 Supported</td>
</tr>
<tr>
<td>CSR -&gt; Operational intention</td>
<td></td>
<td>0.15**</td>
<td>Not involved</td>
</tr>
<tr>
<td>Control -&gt; Performance</td>
<td>0.17*</td>
<td>0.17*</td>
<td>Not involved</td>
</tr>
<tr>
<td>Control -&gt; Operational intention</td>
<td></td>
<td></td>
<td>Not involved</td>
</tr>
<tr>
<td>Performance -&gt; Operational intention</td>
<td>0.58***</td>
<td>0.58***</td>
<td>H5 Supported</td>
</tr>
</tbody>
</table>

Note: *: significant at the 10% level; ** significant at the 5% level; ***: significant at the 1% level. Two-tailed tests are applied.

Discussion and Conclusions

The results clearly support the proposed framework and all of the hypotheses, indicating the direct positive effects of LOM on CSR conduct, performance, and owners’ intentions to sustain business operations in the context of guesthouses in Chinese historic towns. The mediating effects of CSR and performance on the path from LOM to the firm’s operational intention are also supported. This study also contributes to the literature by investigating the influence of LOM on different aspects of CSR, including product, employee, environment, community, and heritage conduct, and the influence of LOM on objective and subjective performance. The positive impacts of LOM on each dimension of CSR and subjective performance are observed, and both subjective and objective performance promote small tourism firm owner’s intentions.
to sustain business operations. However, the influence of each dimension of CSR conduct on subjective or objective performance is not always consistent or significant.

Tourism lifestyle entrepreneurs tend to differentiate themselves from other tourism entrepreneurs by a certain personal brand identity or “lifestyling” (Sweeney, et al. 2018), and also through their identification with a broader ideological concept of sustainability, derived from their intrinsic lifestyle motivation (Ateljevic and Doorne 2000; Font et al. 2016). The findings of this study support the argument that LOM influences small tourism firms’ local social responsibility behaviors. According to SDT, the effect of intrinsic motivation on individual behaviors is stable and continuous (Deci and Ryan 1985, 1991, 2000). Moreover, the findings of the positive effects of LOM on firms’ performance and on firm owners’ intention to sustain operations can have a positive feedback on firms’ CSR behaviors. Thus, small tourism firms not only build good “social, cultural and environment relationships” for themselves, they also promote the sustainability of tourist destinations (Garay and Font 2012; 2013; Font et al. 2016). These findings suggest that supporting LOM small tourism firms, rather than attracting large corporate investors, may be a more effective strategy for managing the sustainability of tourist destinations.

The lifestyle entrepreneur has been recognized as a culturally bound phenomenon in developed economies (Sweeney et al. 2018). Most micro-hotel owners are driven by lifestyle motivation (Lashley and Rowson 2010). However, lifestyle entrepreneurs have also been prevalent in China in recent years, especially in tourist destinations with favorable natural and cultural living environments (Xu and Ma 2014). However, lifestyle entrepreneurs’ practice of CSR also faces some constraints. For instance, their participation in public affairs is limited (Xu, et al. 2017). One reason may be a lack of political rights to participate in such events, because of a lack of official “Hukou” status (Xu and Wu 2016; Ma and Xu 2016, Sun and Xu 2017). In addition, although they may have flexible arrangements with employees and volunteers, the lack of formal contracts sometimes also leads to conflicts (Xu and Tang 2015). There is a need for guidance on the relationship between lifestyle owners and informal employees. In addition, small tourism firms with LOM face many difficulties during operations in China. The most serious concern is the lack of managerial capacity. Owners of small tourism firms with LOM usually lack management experience (Page et al. 1999). They often decide to operate the business for idealistic reasons, and are not fully prepared for day-to-day business realities (Sun and Xu 2017). Operating small firms in Chinese historic towns is not easy. Gradually, lifestyle owners discover they must dedicate all their time to the business, or simply leave the destination to pursue their initial motivation (Sun and Xu 2017).

This study has important policy implications. The sustainable development of tourist destinations has become a prominent topic in the tourism industry (Crouch 2011). Small businesses are very important among all players in these places. Their responsible operations not only benefit their own performance but also promote the destination’s competitiveness and sustainability (Crouch 2011; Koutra and Edwards 2012). The positive findings of this study suggest that policies should be formulated to address the challenges faced by lifestyle entrepreneurs. Apart from attracting large investors, destination governments should also formulate policies to attract lifestyle entrepreneurs and help them settle down. First, a special Hukou system should be formulated to give them access to local public infrastructure and affairs. Second, training programs should be set up to prepare them for business and prevent failure. Third, those who have demonstrated commitment to CSR should be promoted and supported. Fourth, the rising rent costs faced by lifestyle entrepreneurs should be addressed, through policies to help outside entrepreneurs and local renters to achieve stable and fair business transitions.
This study makes several theoretical contributions. First, it proves the importance of identifying the intrinsic motivation for firm owners’ operational behaviors. Intrinsic motivation is the basis of the sustainable CSR behaviors of lifestyle entrepreneurs, and is therefore a reliable predictor of these behaviors. Second, this study extends the application of SDT to the context of lifestyle tourism entrepreneurs. The identification of the complex relationships between lifestyle motivation and firms’ CSR behaviors and performance in a small tourism firm context provide support for the broader applicability of SDT. Third, this study distinguishes lifestyle entrepreneurs from other types of small businesses, and bridges a knowledge gap regarding LOM and these firms’ CSR conduct and performance and their owners’ intention to sustain business operations. Although LOM is a significant characteristic of small businesses in the tourism industry, the impacts of LOM remain unknown. Identifying LOM as a driving factor in CSR effectively extends current knowledge of CSR and firm performance to this particular setting. Moreover, it also provides further insights into CSR by illustrating the impacts of LOM on each dimension of CSR conduct in detail. By doing so, this paper contributes not only to the tourism literature, but also to CSR research. In addition, from a methodological perspective, the statistical tests of hypotheses based on second-order SEM makes this study a useful addition to the current lifestyle literature, which is dominated by qualitative research.

This study highlights the influence of LOM on CSR conduct, performance, and business owners’ intentions to sustain business operation of guesthouses in well-known Chinese historic towns. This empirical case is based on a relative small and narrow group in a certain geographic region, and caution should be taken in generalizing the findings to other industries and geographic areas. Yet, the study demonstrates the richness of this area of research. This study pays attention to the different influences of different degrees of lifestyle-oriented motivation. LOM can be divided into several categories according to possible differences in the entrepreneurs’ motivations or goals, and future research could explore the effects of these more specific types of LOM on small businesses’ conduct and performance.

References


Travel Research 43: 161–70.


