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Moderating effect of psychological distance on the impact of cause-related marketing on tourism relationship value

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Abstract: This research presents a framework for cause-related marketing (CRM) in the tourism industry, focusing on the relationship between profit-related cause marketing and tourism relationship value, with psychological distance serving as a moderating factor. Trust behaviour acts as a mediating variable, linking the two concepts to tourism relationship value. The study identifies two key factors: the mediating role of trust behaviour and the moderating role of psychological distance. It also examines how psychological distance affects the implementation of CRM strategies. Focusing on Taiwan's hotel industry, the study distributed 400 questionnaires, with 393 valid responses. The findings indicate that CRM strategies have a positive effect on customer trust behaviour, which, in turn, enhances tourism relationship value. Psychological distance influences how marketing strategies impact consumer trust, thereby affecting the overall tourism value. This study offers valuable insights for the tourism industry on how to strategically implement CRM.

Keywords: relationship value; cause-related marketing; CRM; trust behaviour; psychological distance.

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1 Introduction

According to the 2024 forecast by the World Travel and Tourism Council (WTTC), the global tourism industry has yet to fully recover to its pre-pandemic levels, when compared to 2019. It is projected that global GDP will rebound to approximately 95% of its 2019 value. The forecast predicts that the travel and tourism market will reach a size of 9.5 trillion US dollars in 2024, with even greater growth anticipated in 2025, surpassing 2019 levels. Additionally, the GDP contribution of the global tourism industry

is expected to rise to 11.6% by 2033, equivalent to approximately 15.5 trillion US dollars. This forecast highlights the significant role the tourism sector is expected to play in the economic growth of both individual nations and the global community as a whole.

Recently, the tourism sector has recognised that the most valuable intangible asset in the industry is the consumer relationship. To maintain a sustainable competitive advantage, it is essential to actively cultivate a strong tourism relationship value (TRV) with consumers. The importance of relationship value lies in establishing, maintaining, and enhancing consumer relationships with the ultimate goal of achieving profitability (Gronroos, 1994). In recent years, the hotel industry has adopted cause-related marketing (CRM) strategies through horizontal alliances, aiming to achieve marketing goals by engaging in charitable activities that support worthy causes. Furthermore, relationship value is increasingly recognised as a strategic asset for tourism enterprises. Research by Morgan and Hunt (1994) and Hoeffler and Keller (2002) emphasises that relationship value contributes to a sustained competitive edge.

According to a 2015 consumer survey conducted by Nielsen Report, a significant majority of respondents – 66% – indicated their willingness to pay a premium for a product linked to a cause-related branding campaign. CRM refers to a marketing initiative in which companies pledge to donate a portion of the proceeds from each sale to a cause-related organisation (Varadarajan and Menon, 1988). This marketing approach not only helps establish a unique market position for the company but also enhances the brand's perception among consumers and can lead to an increase in sales (Chernev and Blair, 2015; Gupta and Pirsch, 2006; Henderson and Arora, 2010).

The use of CRM strategies has seen a significant increase in the hotel industry, driven by their perceived effectiveness in enhancing company performance (Kim, 2011; Lafferty et al., 2016). For example, Hilton hotels promote fundraising campaigns to support local charitable organisations, while South Beach hotels direct a portion of their surplus from in-room dining services to non-profit entities. Similarly, Hyatt hotels contribute a percentage of their profits from room bookings to charities focused on combating AIDS in Africa. Recently, there has been a growing trend among hotel chains to integrate marketing strategies with philanthropic efforts. This approach not only meets consumer demands but also helps hotels stay competitive against challengers like Airbnb (Seo and Song, 2021).

The foundation of CRM lies in the concept of mutual trust, particularly through the establishment of trust behaviour. This encompasses a series of processes involved in building and nurturing trust-based relationships. Trust behaviour refers to the sequence of steps taken to create and cultivate trust. A formalised social system plays a key role in safeguarding unfamiliar entities seeking to engage in social transactions, thus fostering a sense of trust. For example, before using a tourist guide service, consumers typically establish a basic level of trust by considering whether the service staff holds a professional license, which enhances their sense of trustworthiness. The trust developed through this process is commonly referred to as trust behaviour (Zucker, 1986). Additionally, the perception of psychological distance can significantly influence consumers' trust and their subsequent behavioural responses.

Given the growing emphasis on CRM and its connection to TRV in the hotel industry, it is notable that limited research has been conducted on the association and impact of CRM on TRV. This study seeks to fill this gap by investigating the effects of CRM utilisation in the hotel industry on TRV. Specifically, it will examine the role of trust behaviour as a mediator between CRM efforts and TRV, as well as the

communication strategies employed by enterprises to convey the concept of CRM to consumers. Furthermore, this research will explore the potential moderating effect of psychological distance on the relationship between trust behaviour and TRV during the communication of CRM to consumers. The study aims to achieve the following objectives:

- 1 To explore the impact of profit-related cause marketing on TRV.
- 2 To investigate the mediating effect of trust behaviour within this model.
- 3 To examine the moderating effect of psychological distance on the relationship between profit-related cause marketing, trust behaviour, and TRV.
- 4 To provide practical recommendations for the hotel industry on how to use CRM to establish TRV.

2 Literature review

2.1 Relationship value

The impact of relationships on consumers' overall value perception is significant, as consumers often shift their focus from evaluating individual experiences to assessing the overall relationship. Positive specific values contribute to reinforcing relationship value, and vice versa (Ravald and Gronroos, 1996). According to Slater (1997), the long-term success of a company depends on its ability to create and maintain consumer value.

Relationship value, as defined in the field of relationship marketing, is often referred to as consumer value (Payne and Holt, 1999). It represents a comprehensive evaluation of the relationship that develops over an extended period (Liljander and Strandvik, 1995). For example, when a product is used repeatedly over time, the relationship value tends to increase. It can also be viewed as the outcome of balancing the benefits derived from the relationship against the sacrifices made (Ulaga and Eggert, 2005). Relationship value refers to the perceived benefits for the consumer minus the perceived costs for the service provider in maintaining the relationship. Essentially, it encompasses the overall assessment of both tangible and intangible benefits derived from the relationship, determining whether the relationship is favourable or represents a beneficial transaction. According to Ritter and Walter (2012), enhancing relationship value is most effectively achieved through transactional interactions between the company and the consumer. This can be done either directly or indirectly by fostering a sense of sincerity from the company, thereby increasing the consumer's relationship value.

According to McDonald (1996), relationship value can be divided into two distinct components: the core relationship and the extended relationship. The core relationship primarily involves the number of users and the support of loyal customers. In contrast, the extended relationship is a secondary component, which includes factors such as product commercialisation and the influence of word-of-mouth. However, it is important to note that the impact of word-of-mouth has not been fully realised and may not be as significant. Therefore, it can be considered a secondary effect that emerges from an extended relationship.

2.2 Profit-related cause marketing

Companies are increasingly adopting CRM as a strategic approach to gain a competitive advantage in today's dynamic and highly competitive business environment (Vrontis et al., 2020; Grewal et al., 2004). CRM refers to a marketing strategy in which a company aligns its products or services with a specific social or environmental cause, with an emphasis on promotional activities rather than purely philanthropic contributions (Ptacek and Salazar, 1997). In recent years, the growing emphasis on corporate social responsibility (CSR) has prompted various industries to embrace CRM as a means of demonstrating social engagement. CRM has proven to be an effective marketing tool, offering dual benefits: enhancing consumer perceptions of the company while simultaneously contributing to worthwhile social causes (Du et al., 2008).

CRM is widely recognised as a rapidly growing marketing strategy that generates mutually beneficial outcomes for corporations, non-profit organisations, and consumers alike (Endacott, 2004). As a strategic approach, CRM integrates social and charitable initiatives into a company's broader marketing objectives to increase brand visibility and strengthen corporate and brand reputation – moving beyond traditional notions of altruism. Empirical evidence from Rose et al. (2011) indicates that non-profit organisations are more successful in raising funds when leveraging their philanthropic missions through product-based collaborations. While non-profit organisations aim to communicate their values through such partnerships, corporations primarily engage in CRM to drive product sales and enhance profitability.

From the corporate perspective, CRM should not be viewed solely as an altruistic endeavour. Rather, its primary objective is to enhance sales, making it a form of strategic corporate sponsorship that also yields public benefits (Varadarajan and Menon, 1988). Both corporations and non-profit organisations perceive CRM as a mutually advantageous collaboration (Schiller, 1988), wherein corporations leverage non-profit affiliations to increase brand visibility, generate revenue, and promote their products more effectively.

Empirical studies indicate that both cause-awareness campaigns and donation-based CRM initiatives elicit comparable levels of purchase intention, significantly outperforming marketing efforts without cause-related elements (Minton and Cabano, 2024). Consumer attitudes toward CRM also serve as strong predictors of purchase behaviour, with positive perceptions enhancing purchase intentions (Pandey et al., 2024). Moreover, factors such as brand-cause fit, consumer-cause identification, and trust in CRM campaigns are critical in shaping a credible corporate image, which in turn reinforces consumer purchase intention (Lopes et al., 2024). Spirituality has been found to moderate the relationship between perceived CSR motives and CRM patronage intention, underscoring the influence of individual values on CRM effectiveness (Suryavanshi et al., 2024). Additionally, personality traits – particularly agreeableness, followed by conscientiousness, subjective happiness, openness, age, and extraversion – have been identified as key predictors of CRM participation intentions (Patel et al., 2024), suggesting that both psychological and demographic factors shape consumer responsiveness to CRM initiatives.

Given the variability in consumers' decision-making processes and value-based evaluations, it is essential for hospitality practitioners to understand their customers' consumption values and implement CRM strategies that align with those values to maximise revenue potential (Seo and Song, 2021). Kotler (1998), building upon

Andreasen's (1996) foundational conceptualisation of CRM, broadened its definition to include any allocation of corporate resources that seeks to enhance sales or brand image through partnerships with non-profit organisations. Within this expanded framework, Kotler proposed a typology that distinguishes between public issue promotion and profit-related cause marketing. The latter is further divided into two categories: sales-linked fundraising activities and authorisation-based partnerships (Chang et al., 2009). In the hospitality sector, hoteliers may adopt either type of CRM strategy to address the diverse expectations of consumers. By aligning CRM efforts with consumer preferences and values, firms can foster trust and loyalty, ultimately building a broader base of committed customers and enhancing long-term brand equity.

2.3 Trust behaviour

Trust behaviour plays a pivotal role in the formation and development of trust, as it encompasses a series of actions and interactions that collectively contribute to the establishment of trust-based relationships. Trust may be cultivated through various mechanisms, including direct engagement and communication between parties, the identification of shared attributes that foster a sense of affinity, or the reinforcement of social institutions that serve as foundational structures enabling trust in transactions involving unfamiliar actors (Zucker, 1986). Doney and Cannon (1997) proposed a framework for categorising trust behaviour into five distinct dimensions: calculative, capability-based, transference, predictive, and intentional trust. Barry and Terry (2008) further emphasised that firms demonstrating a high degree of understanding and responsiveness to consumer needs are more likely to earn consumer trust. Additionally, Chen and Lewis (2024) highlight that trust and distrust toward suppliers may coexist within buyer-supplier relationships, particularly in contexts characterised by relational norms and power asymmetry.

In recent years, corporations have increasingly adopted CRM as a strategy to enhance their corporate image and broaden their consumer base. The corporate image refers to the subjective attitudes, emotions, and impressions that consumers form about a company and its activities (Walters, 1974). Trustworthiness from the company's perspective can be analysed through two categories: empirical consumers, who rely on capable and transfer process trust and depend on third-party organisations to verify the company's genuine philanthropic efforts. These consumers are best suited for engaging with authorisation CRM initiatives. On the other hand, interactive consumers, who fall under predictive process trust, develop trust through direct interactions, making them more inclined to respond positively to sales fundraising activities CRM. As consumers' affinity towards the activity increases, they are more likely to develop a sense of gratitude, view the company as credible, and subsequently place their trust in it (Sneath et al., 2005). In summary, the present study proposes the following hypothesis:

- H1 Profit-related cause marketing has a positive effect on the enhancement of trust behaviour.
 - H1a Authorisation CRM has a positive effect on trust behaviour of capable process trust and transfer process trust.
 - H1b Sales fundraising activities CRM has a positive effect on predictive process trust in trust behaviour.

The significance of relationship value is highlighted by the notion that corporate sustainability relies on building enduring connections with consumers (Tahtinen and Vaaland, 2005). This suggests that consumers positively influence both the level of trust in a company and the overall relationship value. The core relational aspects of TRV are particularly impactful, as consumers are more likely to purchase products or services based on the commitments and emotional bonds they have developed with the company. This aligns with the trust model, which requires certifications or proof to validate trust behaviour. On the other hand, the extended relationship emphasises that consumer purchasing decisions are shaped by the marketing strategies employed by the company or through word-of-mouth recommendations from others. This corresponds to the trust model of Trust Behaviour, which fosters trust through interactive relationships. Based on the information presented, the present study proposes the following hypothesis:

H2 The enhancement of trust behaviour has a positive effect on TRV.

H2a Trust behaviour's capable process trust and transfer process trust have a positive effect on the core relationship of TRV.

H2b Trust behaviour's predictive process trust have a positive effect on the extended relationship of TRV.

2.4 *Psychological distance*

Liberman and Trope (1998) introduced construal level theory, a theoretical framework that examines how psychological distance influences an individual's cognitive processes and behaviour. Psychological distance refers to an experience that is not directly encountered by the individual, and as a result, it can only be understood through abstract constructs like imagination, speculation, and explanation (Liberman et al., 2007).

Consumers tend to interpret information in abstract, stable, and high-level terms when they perceive a significant degree of psychological distance. In contrast, when psychological distance is perceived to be low, individuals are more likely to adopt a concrete, detailed, and low-level perspective (Liberman et al., 2007). High-level explanations are simplified and schematic, providing a broad overview and focusing on the core aspects of a subject. Low-level explanations, on the other hand, are detailed and comprehensive, offering explicit information without summarisation, often pertaining to secondary or less significant content. The pursuit of a goal results in a systematic shift in the psychological distance of events, altering perception and potentially leading to decisions that deviate from, or even contradict, the initial plan.

Psychological distance is a multifaceted construct comprising temporal, social, hypothetical, and spatial dimensions (Liberman and Trope, 2008). Prior studies have shown that both cognitive and affective processes significantly influence consumer preferences, evaluations, and decision-making (Liberman and Trope, 2008; Williams et al., 2014). Recent research further refines this understanding. Wang and Xie (2023) were the first to demonstrate that the effect of discount framing depends specifically on spatial distance, regardless of whether the product is utilitarian or hedonic. Tan and Hsu (2023) examined the relationship between psychological distance and emotion, finding that emotional responses are not necessarily altered by changes in psychological distance, but rather vary depending on contextual factors.

According to Kardes et al. (2006), individuals tend to process information in an abstract, high-level manner when they perceive a greater psychological distance, whereas they process information in a more concrete, low-level manner when psychological distance is perceived as lower. Evans and Mavondo (2002) suggest that psychological distance can serve as an indicator of the level of learning effort required by a company. To enhance corporate value, it is recommended that companies focus on strategies aimed at reducing the psychological distance between themselves and their customers. A company's public image or promotional strategy can create varying degrees of psychological distance among consumers. CRM can be implemented using various promotional approaches to encourage consumers to purchase the company's products or services. Additionally, differences in trust behaviour can emerge due to the use of different promotional methods. These variations in trust behaviour can lead to varying levels of psychological distance among consumers. The extent of psychological distance, in turn, can affect TRV within the tourism industry, depending on consumers' trust behaviour towards the business. The primary objective of this study is to examine two specific dimensions of psychological distance: social distance and possibility distance. In summary, the present study posits the following hypothesis:

- H3 The degree of psychological distance moderates the extent to which trust behaviour enhances the impact on TRV.
 - H3a The higher the psychological distance, the greater the influence of trust behaviour's capable process trust and transfer process trust on TRV's core relationship.
 - H3b The higher the psychological distance, the greater the influence of trust behaviour's predictive process trust on TRV's extended relationship.

3 Methodology

3.1 Research framework

The literature review reveals that CRM plays a crucial role in enhancing a company's corporate image. Moreover, a strong correlation exists between consumers' trust behaviour and relationship value. This study aims to develop a comprehensive model that explains how CRM influences TRV, with a particular focus on the role of trust behaviour. Additionally, the study seeks to explore the potential moderating effect of psychological distance on this relationship in Figure 1.

Furthermore, based on the distinct constructs of each variable, this study formulates hypotheses regarding the relationships between the variables and their respective constructs. The study then proceeds to analyse the outcomes, utilising a comprehensive research framework outlined as follows in Figure 2.

Figure 1 Research framework

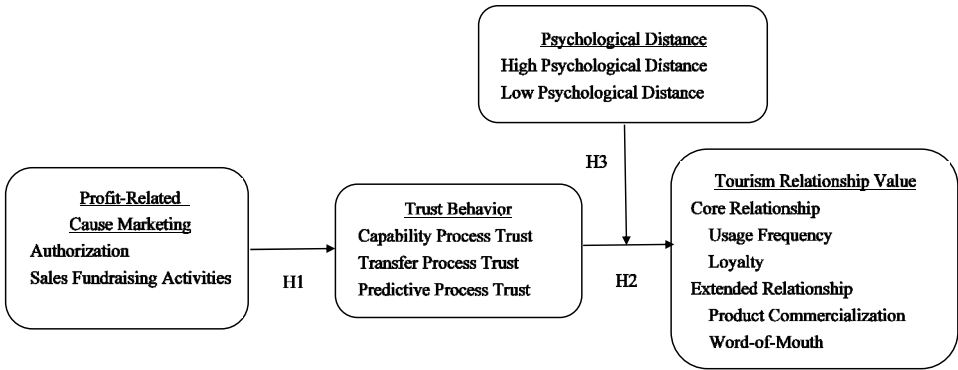
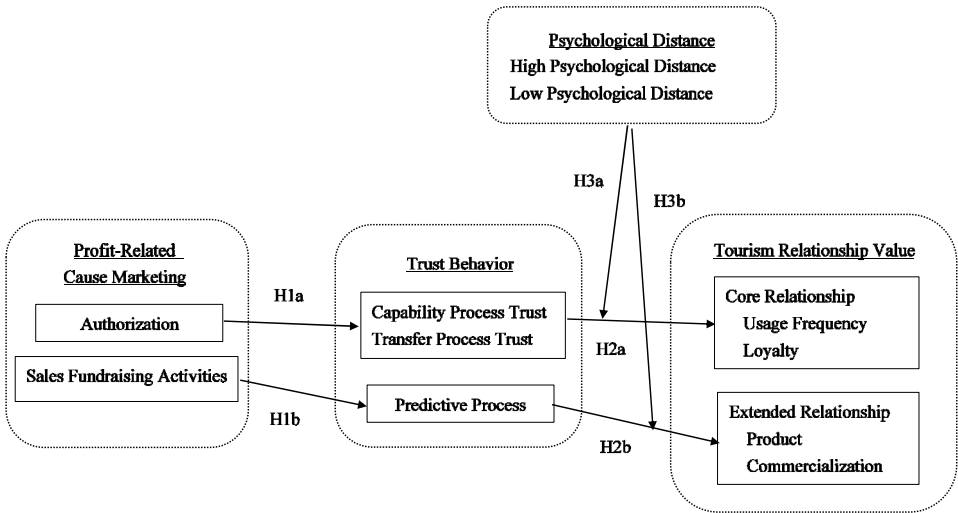


Figure 2 Research framework with sub-hypothesis



3.2 Measurement of study variables

The research variables were measured using a six-point Likert-type scale, with the following responses: ‘strongly disagree’, ‘disagree’, ‘somewhat disagree’, ‘somewhat agree’, ‘agree’, and ‘strongly agree’. These responses were assigned scores of 1, 2, 3, 4, 5, and 6, respectively. According to McDonald (1996), the concept of ‘TRV’ is categorised into two components: ‘core relationship’ and ‘extended relationship’. Profit-related cause marketing, as defined by Andreassen (1996), is divided into two types: ‘authorisation’ and ‘sales fundraising activities’. Trust behaviour is conceptualised based on the work of Doney and Cannon (1997). These three dimensions were selected as the primary focus of this study due to their relevance to the tourism industry. The moderating variable in this research is psychological distance, as defined by Liberman and Trope (1998), which is categorised into two levels: ‘high psychological distance’ and ‘low psychological distance’. These categories will be used to develop distinct advertising and

promotional strategies aimed at influencing consumers' perceptions. This study aims to assess the potential moderating impact of various advertising and promotional techniques on how consumers perceive messages and their resulting behavioural responses.

4 Results

4.1 Sample collection and demographic analysis

The primary focus of this study was on individuals who primarily patronise tourist or business hotels in Taiwan. Two sampling methods – simple random sampling and quota sampling – were used to collect data. The sampling locations included eight hotels: Caesar Hotel, Tiancheng Hotel, Sheraton Hotel, Grand Hyatt Hotel, Hanpin Hotel, Grand Hotel, Le Meridien Hotel, and Dynasty Hotel. These hotels are located across various regions of Taiwan, including the northern, central, eastern, and southern areas. Psychological distance served as the moderating variable in this study, with two distinct questionnaires: questionnaire A for high psychological distance situations and questionnaire B for low psychological distance situations. The questionnaires were distributed independently across the eight trial sites. At each site, a total of 50 questionnaires were distributed, equally divided into 25 labelled as A and 25 labelled as B. A total of 200 A questionnaires were distributed, with 199 valid responses, and another 200 B questionnaires were distributed, yielding 194 valid responses. The retrieval rate for the A-form was 99.5%, and for the B-form, it was 97%, resulting in an overall retrieval rate of 98.25%.

The respondents' personal information and characteristics were categorised based on gender, age, education level, occupation, and monthly income. The study found that the majority of participants were from the young and middle-aged demographic. Most participants held tertiary or university-level education (73%), indicating a good level of understanding and comprehension of the questionnaire's content.

4.2 Reliability, validity and model fit analysis

4.2.1 Reliability analysis

This study used Cronbach's alpha coefficient to measure internal consistency, a reliability indicator widely accepted in the literature. A coefficient above 0.7 is generally considered to indicate high internal consistency (Nunnally, 1978). The Cronbach's alpha coefficients for the variables in this study are as follows: profit-related cause marketing (0.898), trust behaviour (0.913), and TRV (0.913). Since the Cronbach's alpha values for each component exceed the 0.70 threshold, the internal consistency of the variables is deemed satisfactory. Furthermore, the composite reliability (CR) values for the variables and dimensions surpass 0.6, indicating that the questionnaire used in this study demonstrates a commendable level of reliability.

4.2.2 Validity analysis

A preliminary assessment of the questionnaire was conducted prior to its distribution, with participation from scholars and industry experts in the hotel sector. Their feedback

and recommendations were incorporated into the revision of the scale, ensuring its content validity. To assess convergent validity, the approach outlined by Fornell and Larcker (1981) was employed. The factor loadings were found to exceed 0.7 and were statistically significant, with t-values ranging from 15.174 to 19.753. Additionally, the average variance extracted (AVE) ranged from 0.623 to 0.718, all surpassing the minimum threshold of 0.5 for variance extracted (MVE). Based on the methodology proposed by Fornell and Larcker (1981), the results confirm that all latent variables in this study exhibit strong construct validity.

Discriminant validity was assessed using the chi-square test, as outlined by Anderson and Gerbing (1988). Specifically, the chi-square value for the restricted model of each variable was found to be greater than the chi-square value for the unrestricted model. Furthermore, the difference between these two chi-square values exceeded the critical threshold of 3.84. These findings provide additional evidence of strong discriminant validity among the constructs examined in this study.

4.2.3 Model fit analysis

In the model's fitness assessment, the GFI value obtained was 0.943, while the RMSEA value was 0.091. These values fall within the recommended thresholds suggested by scholars, providing strong evidence that the model meets the required criteria for various indicators. As a result, it can be concluded that the model in this study demonstrates a favourable level of fitness.

4.3 Hypothesis testing analysis

4.3.1 Profit-related cause marketing and trust behaviour hypothesis testing

This study provides support for hypothesis H1, with a standardised path coefficient of 0.667 and a corresponding t-value of 10.905, indicating statistical significance in Table 1. Sub-hypothesis H1a is also supported, as the path analysis shows a standardised path coefficient of 0.533 and a t-value of 9.571, confirming statistical significance. Additionally, the path analysis for sub-hypothesis H1b reveals a standardised path coefficient of 0.521 and a t-value of 9.070, further supporting statistical significance in Figure 3.

4.3.2 Trust behaviour and TRV hypothesis testing

The study supports hypothesis H2, with a standardised path coefficient of 0.821 and a corresponding t-value of 14.713, indicating statistical significance. Sub-hypothesis H2a is also supported, as the path analysis reveals a standardised path coefficient of 0.653 and a t-value of 11.379, both demonstrating statistical significance. Furthermore, sub-hypothesis H2b is substantiated by the path analysis results, which show a standardised path coefficient of 0.747 and a t-value of 13.969, confirming statistical significance.

4.3.3 Moderate hypothesis testing of psychological distance on trust behaviour and TRV

The third hypothesis of this study was evaluated using multiple linear regression. The results revealed that the standardised coefficient (β) was 0.432, with a t-value of 2.204 and a p-value of 0.028, which is below the significance threshold of 0.1. These findings suggest that psychological distance positively influences the effect of trust behaviour on TRV, thereby supporting hypothesis H3.

Sub-hypothesis H3a, which examines the impact of psychological distance on trust behaviour and TRV, was also assessed using multiple linear regression. The results showed a standardised coefficient (β) of 0.388, a t-value of 1.880, and a p-value of 0.061, which is below the significance level of 0.1. This supports the moderating role of psychological distance on the relationship between credentials, trust, and the core relationship, thereby confirming hypothesis H3a.

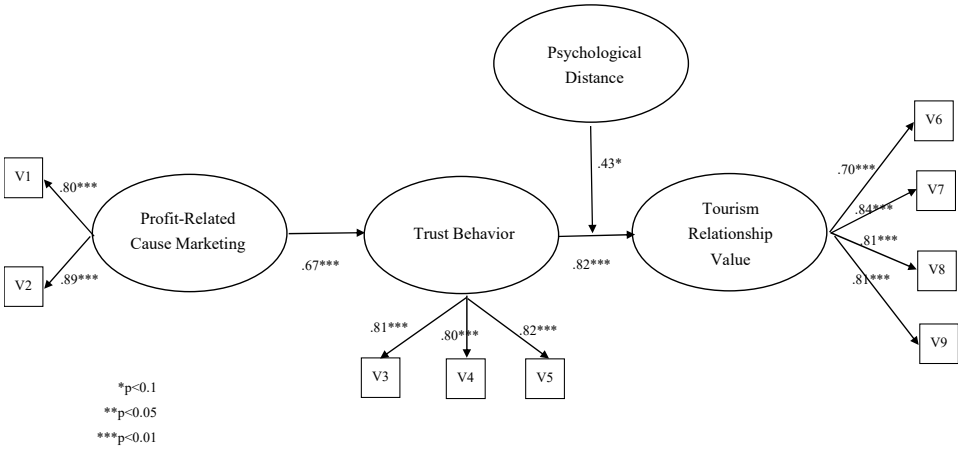
Table 1 Path coefficients of theoretical structure models

<i>Hypothesis and path relationship</i>		<i>Standardised coefficient</i>	<i>t</i>	<i>Results</i>
H1	Profit-related cause marketing → trust behaviour	0.667	10.905	Supported
H1a	Profit-related cause marketing in authorisation → trust behaviour in capable process trust, transfer process trust	0.533	9.571	Supported
H1b	Profit-related cause marketing in sales fundraising activities → trust behaviour in predictive process trust	0.521	9.070	Supported
H2	Trust behaviour → tourism relationship value	0.821	14.713	Supported
H2a	Trust behaviour's capable process trust, transfer process trust → core relationships of tourism relationship value	0.653	11.379	Supported
H2b	Trust behaviour's predictive process trust → extended relationship of tourism relationship value	0.747	13.969	Supported
H3	Psychological distance has a moderating effect on trust behaviour → tourism relationship value	0.432	2.204	Supported
H3a	Psychological distance has a moderating effect on trust behaviour's capable process trust, transfer process trust → tourism relationship value's core relationship	0.388	1.880	Supported
H3b	Psychological distance has no moderating effect on predictive process trust of trust behaviour → extended relationship of tourism relationship value	0.269	1.555	Not supported

However, sub-hypothesis H3b, which investigates the moderating effect of psychological distance on the relationship between trust, product commercialisation, and word-of-mouth acquired through interaction, was assessed using multiple linear regression. The findings indicated that the standardised coefficient (β) was 0.269, the t-value was 1.555, and the p-value was 0.121, which exceeds the significance level of 0.1. As a result, psychological distance does not appear to moderate the effects of trust,

product commercialisation, and word-of-mouth from interaction. Therefore, hypothesis H3b is not supported by the data.

Figure 3 Major path analysis



5 Conclusions and recommendations

5.1 Unique contributions

This study highlights a significant trend within the tourism and business hotel industry, wherein numerous enterprises increasingly engage in partnerships with charitable organisations by paying fixed fees to utilise their trademarks. This practice effectively communicates to consumers that by patronising these hotels, they are contributing to meaningful social causes, thereby enhancing the companies' CSR image and appealing to the growing consumer preference for socially responsible businesses.

The research identifies that securing endorsement from reputable third-party entities serves as an effective initial step in establishing consumer trust, which subsequently elevates the relationship value between consumers and enterprises, strengthening both customer engagement and brand loyalty.

Furthermore, collaborations with reputable charitable organisations are crucial in fostering trust, especially among empirical consumers who depend on credible third-party validation. Once trust is established, it improves trust behaviours, which in turn enhances TRV and cultivates long-term consumer loyalty benefiting both the enterprise and the charitable partners.

When companies initiate CRM initiatives – such as donating a portion of consumer spending or sales proceeds to charities – this proactive strategy resonates particularly well with interactive consumers who perceive their participation as a means of engaging in positive social action. Such consumers tend to increase their engagement and financial contributions, thereby deepening their connection with the brand. Targeted marketing efforts including advertisements, special offers, and promotional gifts serve as catalysts to further amplify this engagement, ultimately strengthening relationship value and fostering emotional loyalty.

The study also reveals that marketing strategies employing psychological distance through advertisements, slogans, and packaging effectively foster trust behaviours by leveraging third-party endorsements, which substantially enhance consumer trust levels. As trust increases, consumers demonstrate higher usage frequency and brand loyalty, thereby reinforcing the core aspect of TRV.

However, trust derived from interpersonal interactions – usually nurtured through direct communication – appears to be less influenced by advertising or promotional efforts, regardless of psychological distance. This finding suggests that while advertisements contribute to some level of trust, they are less effective in modifying trust formed through personal interactions. Instead, product commercialisation and word-of-mouth communication emerge as more critical factors in building deeper, long-term trust and elevating TRV.

In summary, this study advances understanding of CRM applications within the tourism and hospitality sectors, highlighting the differential impacts of psychological distance and consumer interaction styles on trust and relationship value. It provides empirical evidence that can guide enterprises in designing more precise and effective marketing strategies.

5.2 Research limitations

Several methodological and contextual limitations warrant consideration. First, the study's sample is confined to eight prominent tourist and business hotels situated in the northern, central, eastern, and southern regions of Taiwan, thereby excluding other counties and international settings. This geographic limitation may constrain the external validity and generalisability of the findings to broader populations and diverse cultural contexts. Second, although psychological distance is conceptually grounded in established psychological theories, its integrative effects and interactions with CRM, trust behaviour, and TRV remain underexplored. This gap restricts a comprehensive understanding of the underlying mechanisms and moderating influences within the model. Third, the observed minimal influence of advertising and promotional activities on trust derived from interpersonal interactions suggests the need for more nuanced segmentation of consumer typologies. Future research should investigate the psychological and behavioural heterogeneity across consumer segments to better elucidate differential trust formation processes. Finally, the reliance on self-reported survey instruments introduces potential common method bias and social desirability effects, which may affect the reliability and validity of the data. Subsequent studies would benefit from the integration of objective behavioural metrics or multi-method approaches to enhance measurement precision and robustness.

5.3 Future research directions

Building on this study's findings and limitations, future research could pursue several key directions. First, expanding the sample to include hotels from other regions in Taiwan and international contexts would allow for more robust comparative analyses and enhance the generalisability of results. Second, further examination of psychological distance is needed, particularly its moderating and mediating roles in the relationships among CRM, trust behaviour, and TRV, to clarify underlying psychological mechanisms.

Third, future work should segment consumers more precisely, tailoring marketing strategies to distinct profiles – such as interactive versus empirical consumers – and assessing their differential effects on trust formation and relationship value. Fourth, methodological rigor can be improved by integrating multiple data sources, combining self-reported surveys with behavioural tracking, field observations, or experimental designs to strengthen validity and reliability. Finally, research should explore a wider array of CSR collaboration models beyond trademark licensing, including product innovation, service co-creation, and community engagement, to deepen theoretical insights and practical applications of CRM in tourism and hospitality. Collectively, these directions offer potential to refine theoretical frameworks and provide actionable guidance for advancing socially responsible marketing in the sector.

Declarations

All authors declare that they have no conflicts of interest.

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