From Green CSR to Continuance Intention: A Stimulus-Organism-Response (S-O-R) Analysis of Generation Z in the Capsule Hotel Industry

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Abstract

Generation Z's interest in accommodations committed to sustainability continues to grow alongside increasing environmental awareness in consumption decisions. For accommodation providers such as Bobobox, the ability to consistently communicate and implement green initiatives is a key factor in building trust and encouraging the intention to stay for an extended period. This study aims to examine the influence of Perceived Green Corporate Social Responsibility on Continuous Stay Intention, with Perceived Credibility as the mediating variable. This study employs a quantitative approach through a survey of 153 Generation Z respondents who have stayed at Bobobox in the Greater Jakarta and Greater Bandung areas. The data were analyzed using Partial Least Squares Structural Equation Modeling (PLSSEM) via SmartPLS 4. The results of the measurement model evaluation show that all indicators met the criteria for validity and reliability. In the structural model, Perceived Green Corporate Social Responsibility was found to have a positive and significant effect on Perceived Credibility (path coefficient = 0.537; t = 8.580; p < 0.001). Perceived Credibility also has a positive and significant effect on Continuous Stay Intention (path coefficient = 0.421; t = 5.793; p < 0.001). Furthermore, Perceived Green Corporate Social Responsibility has a direct and significant effect on Continuous Stay Intention (path coefficient = 0.351; t = 4.960; p < 0.001). Mediation analysis revealed a significant indirect effect (coefficient = 0.226; t = 4.202; p < 0.001), indicating that Perceived Credibility acts as a partial mediator. These findings confirm that consumers' perceptions of Bobobox's environmental responsibility not only directly drive the intention to stay but also operate by enhancing the company's credibility. Therefore, consistency, transparency, and credibility in the implementation and communication of sustainability initiatives are crucial for Bobobox in building long-term relationships with Generation Z consumers.

Keywords: *Perceived Green Corporate Social Responsibility, Perceived Credibility, Continuous Stay Intention, Generation Z, S-O-R, Hospitality.*

A. INTRODUCTION

Sustainability has moved from a purely environmental concern to a multidimensional agenda that balances environmental, social, and economic objectives over the long term. Human activity has raised global temperatures by about 1.1°C above pre-industrial levels, with floods, droughts, and extreme heat as consequences (IPCC, 2023). Accommodation accounts for a major share of tourism's carbon footprint—which totals 8% of global emissions—due to high energy and resource consumption (UNWTO, 2019).

In Indonesia, the accommodation sector is growing. Statistics Indonesia recorded 31,175 accommodation businesses in 2024, 7.48% more than a year earlier, comprising 4,584 star hotels and 26,591 other establishments (Badan Pusat Statistik,

2024). Growth raises pressure on energy, water, and waste, and not all operators have adopted environmentally friendly practices such as reduce, reuse, and recycle (Badan Pusat Statistik, 2024). Regulation increasingly frames environmental responsibility as a business obligation, for example through Law No. 32 of 2009 on environmental protection and management and Article 74 of Law No. 40 of 2007 on limited liability companies, which requires companies operating in natural-resource-related sectors to carry out social and environmental responsibility.

Hotels have responded with green corporate social responsibility (green CSR), an approach that aims to optimize resource efficiency and limit harm to the environment and to future generations (Zhu et al., 2025). Green CSR is costly. It requires large initial investment, followed by recurring costs for maintenance, staff training, and eco-friendly supplies that are relatively expensive (Ashaal et al., 2024), and perceived cost and uncertain return on investment remain major barriers in hotels (Fouad et al., 2025). Because the investment is substantial, it matters whether guests notice green CSR, believe it, and respond to it.

The objective existence of a green program is not the same as guests' perception of it. Perceived green CSR is the guest's subjective evaluation of a hotel's environmental practices and commitments (Kapoor et al., 2021; Yu & Wu, 2024). Evidence from the travel market suggests a gap between concern and conduct: 92% of global travelers consider sustainable travel important, yet only 56.9% reported actually behaving in an environmentally friendly way during the past year, and doubt about the authenticity of companies' sustainability claims is a leading explanation (Trip.com Group, 2024).

Bobobox, a technology-based capsule hotel operator with Bobopod and Bobocabin properties, offers a useful setting. According to its impact report, the company provides a carbon-offset option for guests, runs community clean-up campaigns, manages waste through a circular economy approach, uses modular construction and up to 80% recycled materials, and applies a zero-waste-to-landfill system (Bobobox, 2024). Yet sustainability does not appear as a dominant spontaneous theme in guest evaluations, which emphasize cleanliness, comfort, location, facilities, technology, service, and atmosphere. For instance, Bobopod Paskal Bandung has 2,834 reviews with cleanliness and location each scored 8.8 out of 10. The company also reports that the carbon-offset toggle averages 9% adoption, and 18.2% among Bobocabin guests (Bobobox, 2024). The low visibility of sustainability in reviews does not prove that guests are indifferent, but it raises the question of how guests perceive these initiatives and how that perception shapes their behavior. The question matters commercially as well, since a case study of Bobobox Cipaganti reports a significant decline in occupancy (Minhal et al., 2025).

Existing evidence suggests that credibility may be the missing mechanism. In a study of hotel customers in Pakistan, Safeer et al. (2025) found that perceived green CSR strengthens perceived credibility, which in turn drives continuous stay intention, while the direct effect of perceived green CSR on continuous stay intention was not significant. Credibility has also been shown to mediate between CSR and loyalty in

hospitality (Shah & Jan, 2021), between CSR and patronage intentions (Abu Zayyad et al., 2021), and between CSR and corporate brand equity (Hur et al., 2014). These studies were conducted in other populations and markets, so it remains open whether the same mechanism appears among other consumers.

The Stimulus–Organism–Response (S-O-R) framework offers a way to structure this question. It holds that individuals do not respond to environmental stimuli directly but through internal states (Mehrabian & Russell, 1974), and it has been described as a guiding principle for understanding how external stimuli trigger cognitive evaluations that shape decisions (Hochreiter et al., 2023). This framework tests both the direct impact of green CSR (stimulus) on continuous stay intention (response) and its indirect impact through perceived credibility (organism).

Generation Z is a relevant group for this test. Its members are digital natives with wide access to information and relatively high environmental awareness, but they are also skeptical of corporate claims and critical of symbolic or greenwashing initiatives (Chawla & Gupta, 2026; Mukherjee et al., 2026). For this group, credibility is therefore likely to be central in how sustainability initiatives are processed. Bobobox has repeatedly been positioned as a brand relevant to young consumers, and Greater Jakarta (Jabodetabek) and Greater Bandung are economic and tourism centers with a strong presence of young consumers.

Previous research leaves three gaps. First, studies of sustainability in Indonesian hospitality have mostly examined the implementation of green practices and their effects on image and satisfaction, while research on how consumers' perceptions of green CSR affect post-use behavior such as continuous stay intention remains limited. Second, the link between green CSR and consumer behavior is often analyzed as a direct relationship, although the S-O-R perspective implies that a psychological state should come between stimulus and response. Third, few studies test perceived credibility as a mediator between perceived green CSR and continuous stay intention in modern, technology-based capsule hotels, especially in Indonesia.

This study addresses these gaps by examining Generation Z users of Bobobox in Jabodetabek and Greater Bandung, which here covers Bandung City, Cimahi City, Bandung Regency, West Bandung Regency, and part of Sumedang Regency. It asks four questions: (1) how perceived green CSR affects perceived credibility; (2) how perceived credibility affects continuous stay intention; (3) how perceived green CSR directly affects continuous stay intention; and (4) whether perceived credibility mediates the effect of perceived green CSR on continuous stay intention. Hypotheses are tested using partial least squares structural equation modeling (PLS-SEM) on survey data.

B. LITERATURE REVIEW

1. Perceived Green CSR

Green CSR refers to the additional steps a company takes to build environmental concern into its operations and to collaborate with stakeholders (Safeer et al., 2025), and to an organizational commitment to environmental sustainability and

stewardship across its business strategy (Faraz et al., 2025). Perceived green CSR is the guest's side of the same practices: the belief that a hotel's policies and initiatives really address sustainability (Kapoor et al., 2021), or more broadly a subjective judgment of an organization's environmental responsibility (Yu & Wu, 2024). The distinction matters because the effect of a program depends on how it is perceived, not only on whether it exists. A stimulus must be received and interpreted before it can act, so following Safeer et al. (2025) this study operationalizes the stimulus in its perceived form.

2. Perceived Credibility

Perceived credibility is the degree to which consumers trust the information a company conveys (Safeer et al., 2025). It is a subjective evaluation of how accurate, reliable, and honest a source or content appears (Yoo & Gretzel, 2008), shaped by each person's interpretation (Febriane et al., 2023), especially when people find it hard to tell valid from false information (Pasi & Viviani, 2020). In a brand context it becomes the consumer's belief that a company has both the capacity and the commitment to keep its promises (Saraç et al., 2025). Sustainability claims are hard for guests to verify on the spot, so credibility can reduce the uncertainty and perceived risk they face (Jun, 2020).

3. Continuous Stay Intention

Continuous stay intention is a customer's intention to keep choosing and staying at the same hotel in the future, rather than switching to an alternative provider (Safeer et al., 2025). Continuous stay intention—closely linked to revisit intention and voluntary brand preference (Tajeddini et al., 2021; Abbasi et al., 2021)—serves as a key loyalty indicator in cross-cultural hospitality studies (Nazarian et al., 2024).

4. The Stimulus–Organism–Response Framework

The S-O-R framework was introduced in environmental psychology by Mehrabian and Russell (1974). Its central claim is that people do not respond to environmental stimuli instantly but through internal states that mediate between stimulus and response. The stimulus is an external input; the organism comprises the cognitive and affective processes inside the person, often called a black box because the stimulus is translated into meaning there before action follows (Hochreiter et al., 2023); the response is the resulting behavior, either approach, such as an intention to buy or return, or avoidance (Mehrabian & Russell, 1974). Consistent with Safeer et al. (2025), this study treats perceived green CSR as the stimulus, perceived credibility as the organism, and continuous stay intention as the response (Table 1).

Table 1. Constructs and their roles in the S-O-R framework

Construct	S-O-R Role	Definition Used in This Study	Main Sources
Perceived green CSR	Stimulus	Guests' subjective evaluation of a hotel's environmental practices and commitments	Kapoor et al. (2021); Yu & Wu (2024); Safeer et al. (2025)
Perceived credibility	Organism	The degree to which guests trust a company's claims and its ability and willingness to keep its promises	Safeer et al. (2025); Saraç et al. (2025)
Continuous stay intention	Response	Intention to keep choosing and staying at the same hotel instead of switching	Safeer et al. (2025); Tajeddini et al. (2021)

5. Generation Z as Consumers

Generation Z is usually defined as people born from the late 1990s to the early 2010s who grew up in a digitally integrated environment (Mukherjee et al., 2026). It is a significant segment for tourism and hospitality, and its rising purchasing power makes it a strategic target market (Chawla & Gupta, 2026; Mukherjee et al., 2026). Wide access to information has shaped a critical mindset toward corporate sustainability claims, which makes members of this generation active evaluators of credibility and authenticity and not passive recipients (Chawla & Gupta, 2026). They tend to be environmentally aware and to favor eco-friendly products and companies that practice sustainability (Bhardwaj & Adhikari, 2026; Mukherjee et al., 2026), yet they are also skeptical: they expect transparency, authenticity, and evidence, and they are critical of symbolic or greenwashing initiatives (Chawla & Gupta, 2026). Consumer confidence has been found to influence sustainable purchase intention in this group (Mathur et al., 2026). These traits make credibility a plausible key to how Generation Z responds to perceived green CSR.

6. Prior Research and the Research Gap

Earlier studies place credibility between corporate social responsibility and consumer behavior (Table 2). CSR has been shown to raise consumer trust and brand credibility (Swaen & Chumpitaz, 2008; Hur et al., 2014), and credibility in turn mediates the link between CSR and loyalty or patronage intentions (Shah & Jan, 2021; Abu Zayyad et al., 2021). In the closest precedent to this study, Safeer et al. (2025) found that authentic green CSR raised perceived credibility and that credibility fully mediated the effect on continuous stay intention among hotel customers in Pakistan.

Table 2. Selected Prior Studies on CSR, Credibility, and Consumer Behavior

Study	Focus	Key finding
Swaen & Chumpitaz (2008)	CSR and consumer trust	Perceived CSR raises consumer trust, directly and indirectly through perceived service quality

Hur et al. (2014)	CSR and corporate brand equity	CSR affects brand credibility, which mediates the link to brand equity and reputation
Jun (2020)	Credibility and intention in the Airbnb context	Brand credibility had the strongest effect on intention ($\beta = 0.42$, $p < 0.001$) compared with perceived risk; it reduces consumer uncertainty
Abu Zayyad et al. (2021)	CSR and patronage intentions	Brand credibility mediates the effect of CSR; CSR perceived as not credible fails to encourage revisits
Shah & Jan (2021)	CSR and customer loyalty in Pakistani hotels (n = 463)	CSR raises loyalty, with credibility as a significant mediator ($p < 0.05$)
Godefroit-Winkel et al. (2022)	Environmental CSR and consumer loyalty	The effect on loyalty runs through positive emotions
Nazarian et al. (2024)	Determinants of revisit intention in hospitality	Credibility and service quality are the main predictors across cultures
Safeer et al. (2025)	Green CSR and continuous stay intention in hotels	Authentic green CSR raises perceived credibility ($p < 0.001$); credibility fully mediates the effect on continuous stay intention
Liu et al. (2025)	CSR and consumer green behavior	CSR affects green behavior, partly through trust and credibility
Han et al. (2025)	CSR and green loyalty among banking consumers in China	CSR initiatives shape sustainable choices; pro-environmental identity strengthens the effect

Three limits of this body of work motivate the present study. Research on sustainability in Indonesian hospitality has mostly examined the implementation of green practices and their effects on image and satisfaction, so evidence on how consumers' perceptions of green CSR shape post-use behavior is scarce. The relation between green CSR and behavior is often analyzed as a direct one, although the S-O-R perspective implies an internal evaluation in between. And the closest evidence on perceived credibility as a mediator comes from a general hotel-customer population in another country, so it is unclear whether the same mechanism holds for Generation Z users of a technology-based capsule hotel in Indonesia.

7. Hypothesis Development

In the S-O-R framework, perceived green CSR is a signal of a company's commitment to sustainability. Operations that guests can observe, such as environmentally friendly processes and efficient resource use, serve as evidence of the company's integrity and competence. Safeer et al. (2025) found that the higher guests perceive a hotel's environmental commitment, the more they trust and believe the company, and Hur et al. (2014) reported a similar link between CSR and brand credibility. We therefore expect that the more positively guests perceive green CSR, the higher the company's credibility in their eyes.

As the organism, credibility is the internal evaluation of whether a company is honest and competent. It lowers perceived uncertainty and risk, especially for claims

that are difficult to verify, and so makes repeated choices easier. Safeer et al. (2025) found that credibility positively affects continuous stay intention, and credibility has been identified as a strong predictor of intention to stay and to revisit (Jun, 2020; Nazarian et al., 2024).

In S-O-R, a stimulus does not necessarily produce a response without passing through internal processing, and Safeer et al. (2025) found no significant direct effect of perceived green CSR on continuous stay intention. We nevertheless test the direct path, because Generation Z is described as attentive to environmental values (Bhardwaj & Adhikari, 2026; Mukherjee et al., 2026), and it is an empirical question whether perceived sustainability can motivate repeat stays on its own in this group.

If perceived green CSR is processed through credibility, its effect on continuous stay intention should run partly or wholly through the guest's judgment of whether the company is honest and competent. CSR that is seen as authentic should raise the intention to stay, whereas CSR seen as greenwashing should not (Abu Zayyad et al., 2021; Safeer et al., 2025).

The four hypotheses are:

H1: Perceived green CSR has a positive effect on perceived credibility.
H2: Perceived credibility has a positive effect on continuous stay intention.
H3: Perceived green CSR has a positive effect on continuous stay intention.
H4: Perceived credibility mediates the effect of perceived green CSR on continuous stay intention.

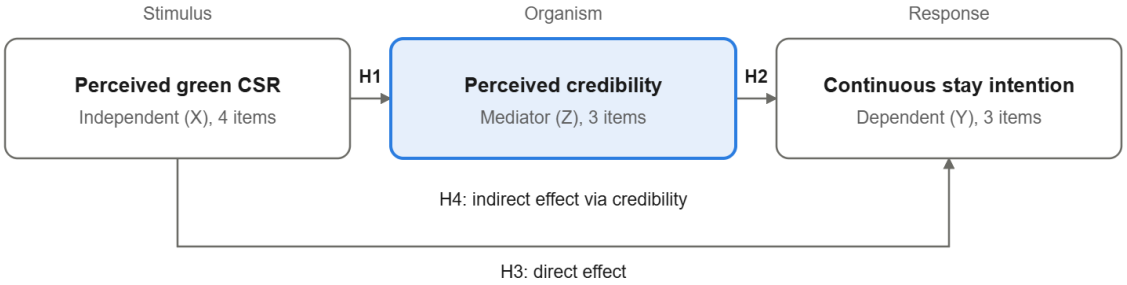


Figure 1. Conceptual Model. H1 and H2 Form the Indirect S-O-R Path, H3 Tests the Direct Path, and H4 Tests Whether the Indirect Effect is Significant

C. METHOD

This study uses a quantitative survey design to test the S-O-R model empirically. Data were collected with a questionnaire from Generation Z consumers who had stayed at Bobobox in Greater Jakarta (Jabodetabek) or Greater Bandung, and were analyzed with partial least squares structural equation modeling (PLS-SEM) in SmartPLS. PLS-SEM estimates the relations among latent variables in the measurement and structural models at the same time, suits predictive and exploratory aims and models with several constructs and indicators, does not require normally distributed data, and can work with relatively limited samples (Hair et al., 2017). It has also been used in comparable hospitality research on CSR and loyalty (Shah & Jan, 2021).

The population is Generation Z consumers who have used Bobobox services in Jabodetabek and Greater Bandung. Greater Bandung here covers Bandung City, Cimahi City, Bandung Regency, West Bandung Regency, and part of Sumedang Regency, where both Bobopod and Bobocabin properties operate. Respondents were selected by purposive sampling, a non-probability technique, using three criteria: (1) belonging to Generation Z, defined as about 17–28 years of age; (2) having stayed at Bobobox at least once; and (3) having used Bobobox in Jabodetabek or Greater Bandung. The minimum sample size was assessed in two ways. The ten-times rule (Hair et al., 2017) gives 20 respondents, because the endogenous construct, continuous stay intention, receives two structural paths. A power analysis in G*Power 3.1 for multiple linear regression with two predictors (effect size $f^2 = 0.15$, $\alpha = 0.05$, power = 0.95) gives 107. The study set a larger target of at least 150 respondents, following the guideline of Hair et al. (2010) for models with up to seven constructs, and obtained 153 valid responses.

Primary data were collected with a structured online questionnaire distributed through Google Forms, which suits a digitally literate population and allows access to respondents across both regions. Before the main survey, the instrument was piloted with 31 respondents who met the sample criteria, to detect unclear wording, ambiguous meaning, and indicators that measure their construct poorly. Secondary data came from journal articles, methodological texts, and industry and company reports (including the Bobobox impact report) and were used to build the framework and the hypotheses.

All constructs were measured with reflective indicators on a five-point Likert scale. The indicators were adapted from earlier validated studies, following the instrument of Safeer et al. (2025) (Table 3).

Table 3. Constructs, Indicators, and Sources

Construct	Role	Items	Indicators (What Respondents Rate)	Source
Perceived green CSR (X)	Stimulus	4	The hotel's application of environmental standards; its compliance with environmental regulations; belief in its responsibility for the environment; its concern for sustainable practices	Kapoor et al. (2021), as used in Safeer et al. (2025)
Perceived credibility (Z)	Organism	3	The company's consistency in keeping its promises; the truth of its claims; a trusted reputation	Mandler et al. (2021), as used in Safeer et al. (2025)
Continuous stay intention (Y)	Response	3	Intention to keep staying; choosing Bobobox over other hotels; wanting to stay again in the future	Al-Emran et al. (2020), as used in Safeer et al. (2025)

The pilot data (n = 31) were analyzed in SmartPLS 4. All ten indicators had outer loadings above 0.70, and all constructs had Cronbach's alpha and composite reliability above 0.70 (Table 4), so no indicator was removed. The full measurement-model evaluation was repeated on the main data.

Table 4. Pilot Test Results (n = 31)

Construct	Items	Outer Loadings	Cronbach's Alpha	Composite Reliability (rho-c)
Perceived green CSR	4	0.791–0.815	0.815	0.878
Perceived credibility	3	0.828–0.871	0.808	0.886
Continuous stay intention	3	0.910–0.927	0.910	0.943

Descriptive analysis summarized respondents' characteristics (age, gender, occupation, income or allowance, stay frequency, and location) and the level of each construct: the mean was computed for each indicator and then averaged to obtain the mean of each latent variable. Hypotheses were tested with PLS-SEM in three steps (Table 5). First, the measurement model was evaluated for convergent validity (outer loadings and average variance extracted), discriminant validity (heterotrait–monotrait ratio), and reliability. Second, the structural model was evaluated for collinearity (variance inflation factor), explanatory power (R^2), and effect size (f^2). Third, path coefficients and the indirect effect were tested by bootstrapping, which is preferred to the Sobel test for mediation (Hair et al., 2017).

A hypothesis is supported when the t-statistic exceeds 1.96 and the p-value is below 0.05. Mediation is established when the indirect effect is significant: if the direct effect is not significant the mediation is full, and if both the direct and the indirect effects are significant it is partial.

Table 5. Evaluation Criteria in the PLS-SEM Analysis

Stage	Test	Criterion
Measurement model	Outer loading (convergent validity)	≥ 0.70
Measurement model	Average variance extracted (AVE)	≥ 0.50
Measurement model	Heterotrait–monotrait ratio (HTMT), discriminant validity	≤ 0.90
Measurement model	Cronbach's alpha and composite reliability	≥ 0.70
Structural model	Variance inflation factor (VIF)	≤ 5
Structural model	R^2	0.25 weak, 0.50 moderate, 0.75 substantial (Hair et al., 2017)
Structural model	Effect size f^2	0.02 small, 0.15 medium, 0.35 large
Hypothesis test	Path significance by bootstrapping	$t > 1.96$ and $p < 0.05$
Mediation	Indirect effect by bootstrapping	Significant indirect effect; full if the direct effect is not significant, partial if it is

Source: Hair et al. (2017)

D. RESULTS AND DISCUSSION

1. Respondent Profile

The analysis uses 153 valid responses from Generation Z consumers who had stayed at Bobobox in Jabodetabek or Greater Bandung (Figure 2). Most respondents were aged 21–28 years (130 respondents, 85.0%), and women made up two-thirds of the sample (66.0%). Students (39.9%) and private-sector employees (35.9%) were the largest occupational groups. Monthly income or allowance was spread across all four categories, with IDR 2,000,000–3,999,999 the most common (31.4%). Nearly two-thirds of respondents (64.7%) had stayed at Bobobox more than once, and 92.8% had last stayed within the previous twelve months, so most evaluations rest on recent experience. Respondents were spread across 20 Bobobox branches; the ten most frequently reported branches, led by Bobopod Kebayoran Baru (9.8%) and Bobopod Thamrin (8.5%), accounted for 64.1% of the sample.

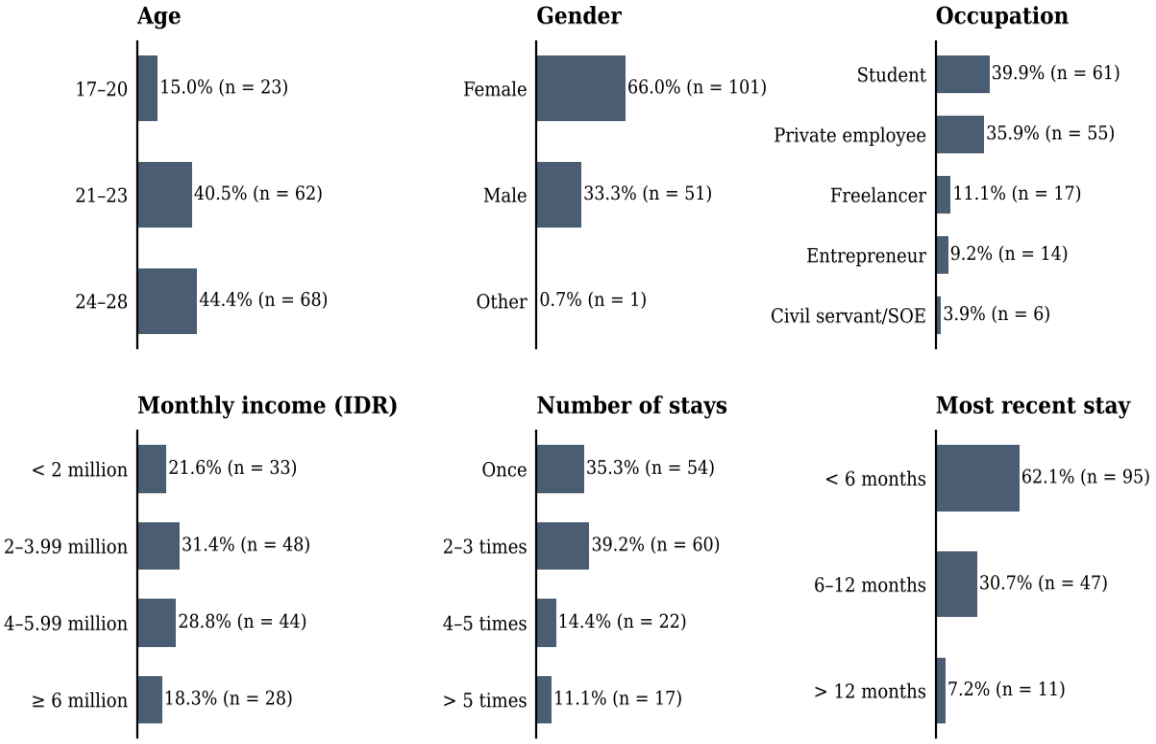


Figure 2. Respondent Profile (N = 153)

2. Descriptive Statistics

Item and construct means were interpreted with five equal-width classes on the five-point scale: 1.00–1.80 very low, 1.81–2.60 low, 2.61–3.40 moderate, 3.41–4.20 high, and 4.21–5.00 very high. Every indicator and every construct falls in the high class (Table 6). Perceived green CSR has a mean of 3.753, with item means from 3.712 (belief in the company's environmental responsibility) to 3.771 (concern for sustainable practices). Perceived credibility has a mean of 3.730; guests rate consistency in keeping promises highest (3.817) and a trusted reputation lowest (3.647).

Continuous stay intention has the highest mean of the three constructs (3.811), led by the intention to keep staying (3.837), while choosing Bobobox over other hotels

scores lowest (3.778). No mean reaches the very high class, and the three construct means lie close together (3.730–3.811), so guests are favorable toward Bobobox but not strongly so.

Table 6. Descriptive Statistics of Indicators and Constructs

Construct / indicator	Mean	Category
Perceived green CSR (X)	**3.753**	**High**
X1 Application of environmental standards	3.765	High
X2 Compliance with environmental regulations	3.765	High
X3 Belief in responsibility for the environment	3.712	High
X4 Concern for sustainable practices	3.771	High
Perceived credibility (Z)	**3.730**	**High**
Z1 Consistency in keeping promises	3.817	High
Z2 Truth of claims	3.725	High
Z3 Trusted reputation	3.647	High
Continuous stay intention (Y)	**3.811**	**High**
Y1 Intention to keep staying	3.837	High
Y2 Choosing Bobobox over other hotels	3.778	High
Y3 Wanting to stay again in the future	3.817	High

Source: Primary Data (2026)

3. Measurement Model

All three constructs are reflective, so the measurement model was assessed for convergent validity, discriminant validity, and reliability (Table 7,8,9). All ten outer loadings are between 0.829 and 0.898, above the 0.70 threshold, and the average variance extracted (AVE) is 0.737 for perceived green CSR, 0.800 for perceived credibility, and 0.761 for continuous stay intention, above 0.50.

Convergent validity is therefore met and no indicator was removed. Cronbach's alpha ranges from 0.843 to 0.882, and both composite reliability coefficients (rho_a and rho_c) range from 0.846 to 0.923, so internal consistency exceeds 0.70 for every construct.

Table 7. Outer Loadings of the Indicators

Construct	Indicator	Outer Loading
Perceived green CSR	X1 Application of environmental standards	0.829
	X2 Compliance with environmental regulations	0.868
	X3 Environmental responsibility	0.856
	X4 Concern for sustainable practices	0.881
Perceived credibility	Z1 Keeping promises	0.898
	Z2 Truth of claims	0.895
	Z3 Trusted reputation	0.890
Continuous stay intention	Y1 Intention to keep staying	0.859
	Y2 Choosing Bobobox over other hotels	0.871
	Y3 Wanting to stay again	0.886

Note: Threshold: outer loading ≥ 0.70.

Source: SmartPLS 4 Output

Table 8. Reliability and Convergent Validity of the Constructs

Construct	Cronbach's Alpha	rho_a	rho_c	AVE
Perceived green CSR	0.882	0.889	0.918	0.737
Perceived credibility	0.875	0.877	0.923	0.800
Continuous stay intention	0.843	0.846	0.905	0.761

Note: rho_a and rho_c = composite reliability; AVE = average variance extracted. Thresholds: alpha and composite reliability ≥ 0.70; AVE ≥ 0.50.

Source: SmartPLS 4 Output

Discriminant validity was supported by two criteria. In the Fornell–Larcker comparison (Table 9), the square root of each construct's AVE (0.859, 0.895, and 0.872) is larger than that construct's correlations with the other constructs, which range from 0.537 to 0.610. The heterotrait–monotrait ratio (HTMT) values (Table 10) range from 0.607 to 0.707, and the highest upper limit of the 95% bootstrap confidence interval (0.814) is also below 0.90. The three constructs are therefore empirically distinct.

Table 9. Discriminant Validity: Fornell–Larcker Criterion

Construct	Perceived green CSR	Perceived credibility	Continuous stay intention
Perceived green CSR	0.859		
Perceived credibility	0.537	0.895	
Continuous stay intention	0.578	0.610	0.872

Source: Primary Data (2026)

Table 10. Discriminant Validity: Heterotrait–Monotrait Ratio (HTMT)

Construct pair	HTMT	2.5%	97.5%
Perceived green CSR – Perceived credibility	0.607	0.464	0.727
Perceived green CSR – Continuous stay intention	0.664	0.555	0.762
Perceived credibility – Continuous stay intention	0.707	0.575	0.814

Source: Primary Data (2026)

4. Structural Model

Collinearity is not a concern: the variance inflation factor (VIF) is 1.406 for both predictors of continuous stay intention, far below the limit of 5 (Table 11). Perceived green CSR explains 28.9% of the variance in perceived credibility ($R^2 = 0.289$, adjusted $R^2 = 0.284$), which is weak by the criteria in Table 5, although just above the 0.25 cut-off. Perceived green CSR and perceived credibility together explain 46.0% of the variance in continuous stay intention ($R^2 = 0.460$, adjusted $R^2 = 0.453$), between weak and moderate. Over half of the variance in continuous stay intention (54.0%) therefore lies with factors outside the model.

Table 11. Coefficient of Determination and Collinearity

Endogenous construct	R^2	Adjusted R^2	Interpretation	VIF of Predictors
Perceived credibility	0.289	0.284	Weak	–
Continuous stay intention	0.460	0.453	Weak to moderate	1.406 (X), 1.406 (Z)

Source: Primary Data (2026)

The effect sizes in Table 12 show where the model's explanatory weight sits. The path from perceived green CSR to perceived credibility has a large effect (f^2 =

0.406). Both paths into continuous stay intention have medium effects, a little stronger for perceived credibility ($f^2 = 0.234$) than for perceived green CSR directly ($f^2 = 0.163$).

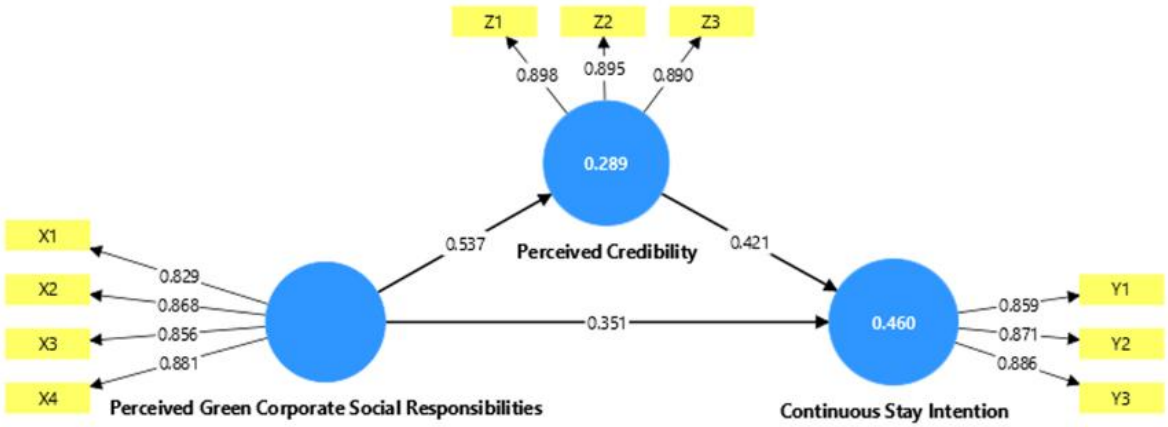


Figure 3. Estimated PLS-SEM Model

5. Hypothesis Tests

The bootstrapping results (Table 12) support H1, H2, and H3. Perceived green CSR has a positive and significant effect on perceived credibility ($\beta = 0.537$, $t = 8.580$, $p < 0.001$), so H1 is supported. Perceived credibility has a positive and significant effect on continuous stay intention ($\beta = 0.421$, $t = 5.793$, $p < 0.001$), so H2 is supported. Perceived green CSR also has a positive and significant direct effect on continuous stay intention ($\beta = 0.351$, $t = 4.960$, $p < 0.001$), so H3 is supported.

Table 12. Path Coefficients and Hypothesis Tests

H	Path	β	*t*	*p*	f^2	Decision
H1	Perceived green CSR → Perceived credibility	0.537	8.580	< 0.001	0.406	Supported
H2	Perceived credibility → Continuous stay intention	0.421	5.793	< 0.001	0.234	Supported
H3	Perceived green CSR → Continuous stay intention	0.351	4.960	< 0.001	0.163	Supported

Source: Primary Data (2026)

The mediation test (Table 13) supports H4. The specific indirect effect of perceived green CSR on continuous stay intention through perceived credibility is positive and significant ($\beta = 0.226$, $t = 4.202$, $p < 0.001$), and it equals the product of the two component paths (0.537×0.421). The direct effect remains significant when the mediator is in the model ($\beta = 0.351$). Because both the direct and the indirect effects are significant, perceived credibility partially mediates the relationship. The total effect is 0.578; about 61% of it runs directly and about 39% runs through perceived credibility (shares computed from the reported coefficients).

Table 13. Direct, Indirect, and Total Effects on Continuous Stay Intention

Effect	β	t	p	Result
Direct: Perceived green CSR → Continuous stay intention	0.351	4.960	< 0.001	Significant
Indirect: Perceived green CSR → Perceived credibility → Continuous stay intention	0.226	4.202	< 0.001	Significant
Total	**0.578**	**–**	**–**	**Partial mediation**

Source: Primary Data (2026)

Guests who see Bobobox as environmentally responsible also see it as more credible (β = 0.537), and this is the largest effect in the model (f^2 = 0.406). The result agrees with Safeer et al. (2025), who found that perceived green CSR strengthens credibility among hotel guests, and with evidence that CSR raises corporate brand credibility (Hur et al., 2014; Dangaiso et al., 2024). In S-O-R terms, perceived green CSR works as a signal that guests read as evidence of the company's integrity and competence. This matters for a group that is described as skeptical of corporate sustainability claims (Chawla & Gupta, 2026): the claims are not taken at face value, but practices that guests recognize as real appear to give them grounds to trust the company.

Two features of the data suggest that this trust is not automatic. Credibility has a slightly lower mean (3.730) than perceived green CSR (3.753), and perceived green CSR leaves 71.1% of the variance in credibility unexplained. A trusted reputation is the lowest-rated credibility item (3.647), while consistency in keeping promises is the highest (3.817). One possible reading is that guests can judge from a stay whether a promise was kept, but form a view of the company's overall reputation more slowly; this reading was not tested here. The modest uptake of the carbon-offset option reported by Bobobox (9% on average; Bobobox, 2024) is consistent with the same caution, since it suggests that many guests do not engage with the company's sustainability offer even when it is available.

Perceived credibility has a positive and significant effect on continuous stay intention (β = 0.421), as expected from Safeer et al. (2025). The coefficient is close to the 0.42 that Jun (2020) reported for brand credibility and intention to stay in the Airbnb context, although the two studies differ in setting and model, so the similarity should not be over-read. The result is also in line with work showing that trust in a hotel's green claims supports the attitudes that lead to intention to visit (Ferreira et al., 2023). The mechanism proposed in the literature is that credibility lowers the uncertainty and perceived risk attached to claims that guests cannot check on the spot (Jun, 2020), which makes repeat choice easier.

The effect is medium in size (f^2 = 0.234), and credibility is clearly not the only driver of intention. Choosing Bobobox over other hotels is the lowest-rated intention item (3.778), lower than the intention to keep staying (3.837) and to stay again (3.817). When guests compare Bobobox with alternatives, they probably weigh price, location, comfort, facilities, technology, and service, which this study did not measure.

Perceived green CSR has a positive and significant direct effect on continuous stay intention ($\beta = 0.351$; $f^2 = 0.163$). This agrees with studies linking hotels' green practices and green marketing to behavioral and revisit intentions (Seo et al., 2024; Dang-Van et al., 2024), but it differs from Safeer et al. (2025), who found no significant direct effect among hotel customers in Pakistan. The present results therefore do not support the view that the effect of perceived green CSR on repeat stays runs only through credibility.

The data cannot say why the two studies differ, but three explanations are plausible and could be tested. First, the populations differ. Generation Z is described as environmentally aware (Bhardwaj & Adhikari, 2026; Mukherjee et al., 2026), and for such guests a company's environmental stance may fit their own values and add to the appeal of staying there without a separate judgment of credibility; value congruence was not measured here. Second, the setting differs: Bobobox presents itself as a technology-based hotel with sustainability built into its operations, which may make green practices a more natural part of how guests judge the stay. Third, the two perceived green CSR items on environmental responsibility and concern for sustainable practices may carry a general positive evaluation of the company, which would strengthen the direct path. This result should not be read as showing that green CSR is the main reason guests return. The model explains 46.0% of the variance in continuous stay intention, and guest reviews of Bobobox emphasize cleanliness, comfort, and location far more than sustainability (see Introduction).

Perceived credibility partially mediates the effect of perceived green CSR on continuous stay intention. The indirect effect ($\beta = 0.226$) is significant, and the direct effect stays significant, so the stimulus reaches the response by two routes. About 39% of the total effect (0.578) passes through credibility and about 61% is direct, although these shares are descriptive and the study does not test whether they differ. This agrees with earlier work that identifies credibility as a mechanism linking CSR to loyalty and patronage in hospitality (Shah & Jan, 2021; Abu Zayyad et al., 2021; Safeer et al., 2025), and it adds that, for Generation Z users of Bobobox, credibility is an important channel but not the only one. It also qualifies the full mediation reported by Safeer et al. (2025) as a result that does not carry over to every population.

The study makes three contributions. First, it extends the perceived green CSR–credibility–intention model to Generation Z users of a technology-based capsule hotel in Indonesia, a population and setting not covered by earlier tests. Second, it refines the S-O-R reading of the model. Perceived credibility acts as an organism state that carries part of the stimulus effect, but because the direct path is also significant, the organism does not absorb the whole effect. Other internal states, such as satisfaction, perceived value, or emotion (Godefroit-Winkel et al., 2022), may operate in parallel and could be added in future models. Third, it sets a boundary on earlier findings: full mediation by credibility in Pakistani hotels did not replicate here, so the strength of the direct path appears to depend on the population or context.

The findings give Bobobox four directions. First, green practices should be visible and felt during the stay. Belief in the company's environmental responsibility

is the lowest-rated perceived green CSR item (3.712), so features such as refill facilities, waste-reduction campaigns, and visible linen-saving measures at the property could make the commitment more tangible. Second, sustainability communication should be concrete, transparent, and regularly updated with results, because credibility is the channel through which perceived green CSR gains much of its effect and Generation Z is wary of symbolic claims. Third, the practices should be applied consistently across Bobopod and Bobocabin properties, since credibility rests on whether claims match what guests experience. Fourth, sustainability should be presented as part of the whole stay and not as a separate selling point. Choosing Bobobox over other hotels is the weakest intention item, and guests probably still weigh price, location, comfort, and technology when they compare options.

E. CONCLUSION

This study examined how Generation Z guests' perception of Bobobox's environmental responsibility relates to their intention to keep staying, directly and through perceived credibility, within the Stimulus–Organism–Response framework. All four hypotheses were supported. Perceived green CSR has a positive and significant effect on perceived credibility ($\beta = 0.537$; $t = 8.580$; $p < 0.001$), and perceived credibility has a positive and significant effect on continuous stay intention ($\beta = 0.421$; $t = 5.793$; $p < 0.001$). Perceived green CSR also has a positive and significant direct effect on continuous stay intention ($\beta = 0.351$; $t = 4.960$; $p < 0.001$; $f^2 = 0.163$). The indirect effect through perceived credibility is significant ($\beta = 0.226$; $t = 4.202$; $p < 0.001$), and because the direct effect remains significant, perceived credibility is a partial mediator. The total effect of perceived green CSR on continuous stay intention is 0.578. Perceived green CSR (mean 3.753), perceived credibility (3.730), and continuous stay intention (3.811) all fall in the high category. Together, perceived green CSR and perceived credibility explain 46.0% of the variance in continuous stay intention, so the remaining 54.0% is explained by factors outside the model.

These results mean that guests' perception of Bobobox's green CSR does not stop at forming a positive view of the company. It carries over into credibility and, through credibility and directly, into the intention to keep staying. This supports the S-O-R structure used here, with perceived green CSR as the stimulus, perceived credibility as the organism, and continuous stay intention as the response. At the same time, the explained variance shows that the decision to keep using Bobobox is shaped by more than sustainability and credibility.

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